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Congressional Record

PROCEEDINGS AND DEBATES OF THE 93d CONGRESS, FIRST SESSION

SENATE—*Friday, September 28, 1973*

The Senate met at 8: 45 a.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

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

Eternal God, the unfailing source of light and strength, we praise Thee for Thy power and goodness. We open our minds to admit Thy truth and our hearts to receive Thy love. When the way is cloudy and the choices unclear, impart a wisdom greater than our own. Be with us, Lord, each moment. In our weakness give strength, in tenseness give serenity, in discouragement grant hope, and in weariness bring rest. Help us to serve as stewards of a high trust, not in our strength alone but in that strength which comes from Thee. Work through us Thy will for this Nation and the world. And to Thee shall be all praise and thanksgiving. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., September 28, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ALLEN 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 Thursday, September 27, 1973, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

AMENDMENT OF SMALL BUSINESS ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 385.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

Calendar No. 385 (S. 2482), a bill to amend the Small Business Act.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

The bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

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

AUTHORIZATION

SECTION 1. Paragraph (4) of section 4(c) of the Small Business Act is amended—

(1) by striking out "$4,300,000,000" and inserting in lieu thereof "$6,600,000,000";

(2) by striking out "$500,000,000" where it appears in clause (B) and inserting in lieu thereof "$725,000,000";

(3) by striking out "$500,000,000" where it appears in clause (C) and inserting in lieu thereof "$600,000,000"; and

(4) by striking out "$350,000,000" and inserting in lieu thereof "$475,000,000".

LOANS TO MEET REGULATORY STANDARDS

SEC. 2. (a) Section 7(b)(5) of the Small Business Act is amended to read as follows:

"(5) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in effecting additions to or alterations in its plant, facilities, or methods of operation to meet requirements imposed on such concern pursuant to any Federal law, any State law enacted in conformity therewith, or any regulation or order of a duly authorized Federal, State, regional, or local agency issued in conformity with such Federal law, if the Administration determines that such concern is likely to suffer substantial economic injury without assistance under this paragraph: *Provided*, That the maximum loan made to any small business concern under this paragraph shall not exceed the maximum loan which, under rules or regulations prescribed by the Administration, may be made to any business enterprise under paragraph (1) of this subsection; and".

(b)(1) Section 7(b)(6) of the Small Business Act is repealed.

(2) Paragraph (7) of such section 7(b) is redesignated as paragraph (6).

(c) Section 28(d) of the Occupational Safety and Health Act of 1970 (Public Law 91-596) is amended by striking out "7(b)(6)" and inserting in lieu thereof "7(b)(5)".

(d) In no case shall the interest rate charged for loans to meet regulatory standards be lower than loans made in connection with physical disasters.

CONFORMING TECHNICAL AMENDMENTS

SEC. 3. (a) Subsection (g) of section 7 of the Small Business Act, as added by section 3(b) of the Small Business Investment Act Amendments of 1972, is redesignated as subsection (h).

(b) Subsection (c) of section 4 of the Small Business Act is amended by striking out "7(g)" each place it appears in paragraphs (1)(B), (2), and (4) and inserting in lieu thereof "7(h)".

AUTHORITY OF SECRETARY OF AGRICULTURE WITH RESPECT TO NATURAL DISASTERS

SEC. 4. Notwithstanding the provisions of Public Law 93-24, the Secretary of Agriculture shall continue to exercise his authority with respect to natural disasters which occured after December 26, 1972, but prior to April 20, 1973, in accordance with the provisions of section 5 of Public Law 92-385 as such section was in effect prior to April 20, 1973.

LIVESTOCK LOANS

SEC. 5. Section 7(b)(4) of the Small Business Act is amended by inserting before the semicolon at the end thereof the following: ": *Provided*, That loans under this paragraph include loans to persons who are engaged in the business of raising livestock (including but not limited to cattle, hogs, and poultry), and who suffer substantial economic injury as a result of animal disease".

LOANS FOR ADJUSTMENT ASSISTANCE IN BASE CLOSINGS

SEC. 6. Section 7(b) of the Small Business Act is amended by adding after paragraph (6) the following new paragraph:

"(7) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as

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the Administration may determine to be necessary or appropriate to assist any small business concern in continuing in business at its existing location, in reestablishing its business, in purchasing a new business, or in establishing a new business if the Administration determines that such concern has suffered or will suffer substantial economic injury as the result of the closing by the Federal Government of a major military installation under the jurisdiction of the Department of Defense, or as a result of a severe reduction in the scope and size of operations at a major military installation.".

ANNUAL REPORT ON STATE OF SMALL BUSINESS

SEC. 7. The first sentence of subsection (a) of section 10 of the Small Business Act and the first word of the second sentence of such subsection are amended to read as follows: "The Administration shall, as soon as practicable each calendar year make a comprehensive annual report to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include a description of the state of small business in the Nation and the several States, and a description of the operations of the Administration under this chapter, including, but not limited to, the general lending, disaster relief, Government regulation relief, procurement and property disposal, research and development, technical assistance, dissemination of data and information, and other functions under the jurisdiction of the Administration during the previous calendar year. Such report shall contain recommendations for strengthening or improving such programs, or, when necessary or desirable to implement more effectively congressional policies and proposals, for establishing new or alternative programs. In addition, such".

ANTIDISCRIMINATION AMENDMENT

SEC. 8. Section 4(b) of the Small Business Act is amended by adding after "The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator." the following new sentence: "In carrying out the programs administered by the Small Business Administration including its lending and guaranteeing functions, the Administrator shall not discriminate on the basis of sex or marital status against any person or small business concern applying for or receiving assistance from the Small Business Administration, and the Small Business Administration shall give special consideration to veterans of the Armed Forces of the United States and their survivors or dependents.".

Mr. MANSFIELD. I move to reconsider the vote by which S. 2482 was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the calendar beginning with "New Reports."

The ACTING PRESIDENT pro tempore. Without objection, the Senate will go into executive session to consider the nominations.

U.S. AIR FORCE

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Air Force.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. ARMY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The second assistant legislative clerk proceeded to read sundry nominations in the Navy.

Mr. MANSFIELD. Mr. President, I make the same request.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the Navy are confirmed.

NATIONAL ENDOWMENT FOR THE ARTS

The second assistant legislative clerk read the nomination of Nancy Hanks, of New York, to be Chairman of the National Endowment for the Arts for a term of 4 years.

Mr. MANSFIELD. Mr. President, this is an exceptionally fine appointment. Nancy Hanks has done an exceptional job as Chairman of the National Endowment for the Arts. I am glad she is being in the Government and has been reappointed Chairman. I am certain that she will continue to serve well in this sensitive capacity.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

ROUTINE NOMINATIONS PLACED ON THE SECRETARY'S DESK

The ACTING PRESIDENT pro tempore. Without objection, the nominations placed on the Secretary's desk, in the Air Force, in the Army, and in the Marine Corps are confirmed en bloc.

Mr. MANSFIELD. Mr. President, I request that the President be notified of the confirmation of these nominations and also of the nominations which were confirmed earlier in the week, for which no request was made.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified of the nominations confirmed today and also earlier this week.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

The ACTING PRESIDENT pro tempore. Does the acting minority leader desire recognition?

Mr. GRIFFIN. No, Mr. President.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. In accordance with the previous order, the Chair recognizes the distinguished senior Senator from Maryland (Mr. MATHIAS) for not to exceed 15 minutes.

WAGE-PRICE PROGRAM

Mr. MATHIAS. Mr. President, we in the Congress are well aware of the severe economic dislocation which the United States is now facing. Its effects are widespread and take many forms. In my own State of Maryland, which is America in miniature. I have seen the breadth and range of our current problems. In Montgomery County, prices are rising in supermarkets at a dizzying rate. In Prince Georges County, homeowners' mortgages have grown prohibitively expensive—as interest rates have shot sky high—when the money is obtainable at all. Poultry producers from the Eastern Shore, caught in a cost-price squeeze, have threatened to destroy their chickens in an attempt to call attention to their need for relief. Housewives in Baltimore County have organized meat boycotts in the hope that they can have some lasting impact on prices. Independent gasoline dealers, threatened by a loss of supply and the ability to do business, have publicly petitioned for redress under current price controls, and are striking to avoid further losses. Schools are already threatened with shortages of fuel for heating during the winter. These are but a few of the many problems that are being called to my attention on a daily basis.

For a period, during the mid-1960's, economists in the United States were regarded as omniscient. The country was in the midst of a boom and Keynesian economics had become our new orthodoxy. The Congress enacted a tax cut at the behest of these economists and the measure appeared to work just as predicted. I recall well the great debate that raged in those years over how best to spend the anticipated Federal surplus that would be generated by rising incomes.

Today the economist is no longer enjoying the heady status of that earlier time. Attempts to "fine-tune" the economy are no longer advanced with the same confidence. Despite the current range of Government controls, our ability to adjust those controls for the benefit of all the people and not merely for particular interest groups is being called into question. In part, this is a question of political "will". We know how difficult it would be for the Congress to enact a tax surcharge of 10 percent, as hinted

by Presidential Counselor Melvin Laird, even if such a devastating step appeared required by the laws of economics. But, in large measure, the problem may well be the inability to master the intricacies of our economic system which produces $1 trillion worth of goods and services annually and is inevitably intertwined with a world economy which churns out many times that amount in goods and services. We are increasingly being made aware of the extent to which the available control mechanisms are interrelated so that each step we take has a profound impact on some other sector of the economy. Each intervention has an impact elsewhere in the economy and frequently calls for further intervention, a fact often unforeseen at the time.

Intervention also may have its impact on other values that we as a society regard as important. While we cannot go back to a time when we believed that government had no business in the marketplace—a belief that was always more honored in the breach than in the observance—we must constantly remain aware of the impact of Government regulation on other values and we must attempt to achieve the preservation of as much as those values as is possible.

The impact of economic regulation on other values is shown by the economic stabilization program, frequently called the wage-price program. This program is significantly different from the methods and agencies we have traditionally used to regulate our economy in that it regulates individual wage and price transactions. But it is not without precedent for in modern times we have seen wage-price controls imposed to steady a wartime economy. The historical roots of such controls reach back to ancient times. In the fourth century A.D. the Roman Emperor Diocletian established ceilings on prices and wages and froze workers to their jobs. Kublai Khan in the 13th century prescribed maximum prices. In our country, in 1636, the Puritans in the Massachusetts Bay Colony proposed a wage and price code which was "agreeable to the word of God." Such regulations have been enacted periodically throughout history.

The current wage-price program cuts across all current regulatory schemes. Unlike the ICC, the FPC, and the FCC, the Cost of Living Council which administers wage-price controls is not limited to jurisdiction over a particular industry. While the Government has for many years attempted indirectly to affect the price of certain commodities, the farm program being the most striking example, it has traditionally shied away from attempts to impose direct controls by regulating the individual wage and price transactions themselves. The sheer magnitude of the number of such transactions is staggering. Such a program makes the Government a party to every sale and contract in our incredibly complicated economy and, to that extent, gives it a responsibility for a whole series of related prior and subsequent transactions. And certain decisions reached under the program impact squarely on our own foreign policy and the economy of virtually every nation in the world.

The economic stabilization program is one which grants enormous power to small groups of men whose decisions can make or break any business in America. These men can have this impact even by their failure to decide. They are subject to only the most vague statutory standards—exceptions to their rulings—for instance can be granted upon a showing of "economic hardship" or "gross inequity." They are subject to unclear and uncertain statutory standards in the procedures they must follow and hence can wield their enormous power without effective hearings, without explanations, and with only a limited right of appeal. This is executive discretion in the extreme.

In the summer of 1971 I was one of a group of Senators who advocated the adoption of an "incomes policy" to restrain inflation. After consultation with economists in this country and elsewhere, I proposed a system of guidelines for the American economy.

The proposal contemplated the employment of Government to influence the course of wage and price fluctuation, rather than to mandate control. Within 2 weeks, however, the initial freeze was imposed, to be followed by phase I.

From the outset, the wage-price program has been characterized as temporary. As we enter its 3d year, however, I believe we must reexamine what is meant by temporary. The authority which the Congress has given to the President and through him to the Cost of Living Council to administer the program is vast and largely unchecked. Such authority on a temporary basis under emergency circumstances is not without precedent. As cochairman of the Special Committee on the Termination of the National Emergency, I have been exploring the effect of granting similar power in other circumstances. I can appreciate that under emergency circumstances and on a temporary basis, the Congress has been traditionally more willing to forgo limitations on Executive authority. But, if, as it appears the wage price program is to be with us for a prolonged period of time, I think it is vitally important that we now examine the manner in which the program is operating with a view toward learning whether limitations or guidelines might be proper.

On October 9 and 10, the Subcommittee on Separation of Powers of the Committee on the Judiciary will hold hearings on the wage-price program. The chairman of that subcommittee will examine the extent to which current legal requirements are being complied with by the Cost of Living Council. In addition, the subcommittee will examine possible changes that might appear warranted in light of the history of the program to date.

It is not the purpose of these hearings to look into questions of economic policy. Such questions are under constant congressional review and will continue to be considered by the relevant Senate committees when the authorization for the current program expires and the Congress, once again, considers whether to grant an extension. Rather, the subcommittee will look into questions of the administrative procedure employed by the agency, personnel now being used to administer the program, sanctions provided for in the act and otherwise in use, the mechanism for enforcement and its use, and the availability of judicial review. During the first two days of hearings, the subcommittee will pay particular attention to the exception procedure and to the procedures for clarifying rulings issued under the program.

In so doing, we are particularly concerned with the impact of the program on the regulated. Thus, the ability of individuals and corporations to both know the nature and extent of their obligations under the law and to effectively state their case is of paramount importance to the subcommittee. This much seems clear—no program will long retain, or deserve, popular support if its decisions are not arrived at by a process which appears open, fair, consistent, thorough, rational, enforceable, and necessary.

In undertaking this investigation, I am cognizant of the awesome problems that such a program presents to those charged with administering it. Whether or not an effective wage-price program can be administered at the levels of personnel now available is a major question. It may also be that we will conclude the Council would suffer a breakdown under procedures that required full record-keeping and other procedural rights. If this is the case, it is an issue I believe should be squarely faced.

These hearings are in keeping with a tradition of the Subcomimttee on Separation of Powers which has conducted hearings to consider the role of the independent administrative and regulatory agencies. Senator ERVIN has articulately stated the subcommittee's purpose:

> The independent administration agencies now constitute a fourth branch of the Federal Government—some have described them as the "headless" fourth branch. In a relatively short time, they have come to have responsibility over major areas of public interest—transportation, public relations, communications, trade regulations, and finance, to mention only a few. Further, the administrative agencies are an innovation in the tripartite type system, conceived by the founding fathers. The fact that they exercise a combination of legislative, executive and judicial powers, and so represent a major deviation from the separation of powers formula, is another reason for including them in our study.

I am hopeful that these hearings can make a meaningful contribution to the debate which the Congress will enter when the authorization for the wage price program again comes due. I am confident that by airing some of the prior difficulties with the program and by openly examining the current procedures, the subcommittee can make a

meaningful contribution to the work of the program.

Mr. President, I yield the floor.

PAY ADJUSTMENTS FOR FEDERAL EMPLOYEES

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, the Chair lays before the Senate Senate Resolution 171, which the clerk will please report.

The legislative clerk read as follows:

Calendar No. 383, S. Res. 171, disapproving the alternative plan for pay adjustments for Federal employees.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

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

The ACTING PRESIDENT pro tempore. Debate on the resolution is limited to 2 hours, to be equally divided between the proponents and the opponents of the resolution.

Mr. McGEE. Mr. President, I suggest the absence of a quorum with the time to be deducted equally from the two sides, if that is agreeable.

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

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business, with statement therein limited to 3 minutes, without the time being charged against the bill.

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

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

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

COSTS OF THE FEDERAL AIRPORT AND AIRWAY SYSTEM

A letter from the Secretary of Transportation transmitting, pursuant to law, a report entitled "Determination, Allocation, and Recovery of System Costs" (with an accompanying report). Referred to the Committees on Commerce and Finance.

DEFERRAL OF CONSTRUCTION REPAYMENT INSTALLMENTS

A letter from the Assistant Secretary of the Interior reporting, pursuant to law, the approval of a deferment of the construction repayment installments concerning the Casper-Alcova Irrigation District, Kendrick Project, Wyo. Referred to the Committee on Interior and Insular Affairs.

PROPOSED LEGISLATION BY THE ATTORNEY GENERAL

A letter from the Attorney General transmitting a draft of proposed legislation to make unlawful the receipt of property taken in violation of certain sections of title 18, U.S.C. (with accompanying papers). Referred to the Committee on the Judiciary.

PROPOSED TRANSFER OF THE LEXINGTON CLINICAL RESEARCH CENTER

A letter from the Secretary of Health, Education, and Welfare giving notice, pursuant to law, of the proposed transfer of the buildings and property known as the Lexington Clinical Research Center, administered by the National Institute of Mental Health, to the Bureau of Prisons, Department of Justice (with accompanying papers). Referred to the Committee on Labor and Public Welfare.

PROPOSED LEGISLATION BY THE SECRETARY OF COMMERCE

A letter from the Secretary of Commerce transmitting a draft of proposed legislation for the general reform and modernization of the Patent Laws, title 35 of the United States Code, and for other purposes (with accompanying papers). Referred to the Committee on the Judiciary.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. ALLEN):

A joint resolution of the Legislature of the State of California. Referred to the Committee on Foreign Relations:

"ASSEMBLY JOINT RESOLUTION NO. 32

"Relative to providing assistance to Nicaraguan earthquake victims

"Whereas, The capital city of Managua, Nicaragua, was totally destroyed by the earthquake which occurred on December 23, 1972; and

"Whereas, The population of Nicaragua is comprised of over two million people; and

"Whereas, A drought in 1972 destroyed 90 percent of the crops, leaving the country financially unstable; and

"Whereas, Over 300,000 people were left homeless and financially destitute because major businesses and industries were centralized in Managua; and

"Whereas, There are large Nicaraguan communities spread throughout the United States, in New York, New Jersey, Philadelphia, New Orleans, Miami, Chicago, and major cities in California, particularly San Francisco, in which the estimated Nicaraguan population is of about 40,000 people, which constitutes the largest proportion of Spanish-speaking; and

"Whereas, It will take at least a year to begin to normalize general conditions of the welfare of the Nicaraguan people; and

"Whereas, Nicaragua has always been a friend and firm supporter of the United States, as demonstrated by the help given to San Francisco in the disastrous 1906 earthquake; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California, in consequence of the general feeling towards the people of Nicaragua, responds in supporting continuous assistance to the Nicaraguan earthquake victims and requests the following:

"(a) That the State of California give every possible support to the local united efforts of the Nicaraguan earthquake relief program and make available whatever resources it has to aid the Nicaraguan people, including medical supplies, medical assistance, food, local transportation, manpower, centralization of collection of goods, and other emergency needs.

"(b) That the United States provide whatever transportation necessary to move the cargo contributed to Nicaragua.

"(c) That the United States Immigration Service initiate a refugee program for Nicaraguans wishing to come to the United States similar to the one adopted for Cuban refugees, and also provide extensions of visas and permits for Nicaraguan tourists and students stranded in this country.

"(d) That the President and the Congress of the United States, the Governor of the State of California, private groups, religious groups, and individuals open their hearts in a true humanitarian spirit towards the unfortunate victims of the Nicaraguan disaster; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Governor of the State of California."

A joint resolution of the Legislature of the State of California. Referred to the Committee on Interior and Insular Affairs:

"ASSEMBLY JOINT RESOLUTION NO. 52

"Relative to the Auburn Dam Project

"Whereas, The United States Bureau of Reclamation is constructing the Auburn Dam on the American River in the State of California; and

"Whereas, The Auburn Dam Project, which is proposed to have a reservoir capacity of 2,300,000 acre-feet, is urgently needed to provide flood protection for the area surrounding and including the City of Sacramento; and

"Whereas, The additional water supply which will be made available by the project for municipal and industrial and agricultural purposes will greatly benefit the people and economy of the State of California; and

"Whereas, The project will have installed capacity to generate 750 megawatts of nonpolluting hydroelectric power, which is most urgently needed by the people of California; and

"Whereas, The project also will assist in maintaining adequate flows in the lower reaches of the American River; and

"Whereas, The State of California and the Boards of Supervisors of Placer, El Dorado, Sacramento, and San Joaquin Counties, as well as numerous other local agencies, strongly support the construction of the Auburn Dam Project at the earliest possible time; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to proceed with the construction of the Auburn Dam Project on the American River in the State of California as quickly as possible; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the Town of Irvington, N.J., urging the enactment of legislation to restore the death penalty for persons con-

victed of first-degree murder. Referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Public Welfare, without amendment:

S. 2466. A bill to provide for the continued operation of the Public Health Service hospitals which are located in Seattle, Wash.; Boston, Mass.; San Francisco, Calif.; Galveston, Tex.; New Orleans, La.; Baltimore, Md.; Staten Island, N.Y.; and Norfolk, Va. (Rept. No. 93–410).

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. SYMINGTON:

S. 2498. A bill to authorize the disposal of zinc from the national stockpile and the supplemental stockpile. Referred to the Committee on Armed Services.

By Mr. FONG:

S. 2499. A bill to amend the Age Discrimination in Employment Act of 1967 to remove the 65-year-age limitation. Referred to the Committee on Labor and Public Welfare.

By Mr. HARTKE (for himself and Mr. GRAVEL):

S. 2500. A bill to establish an Office of Constituent Assistance, and for other purposes. Referred to the Committee on Rules and Administration.

By Mr. GURNEY (for himself and Mr. COOK):

S. 2501. A bill entitled the Motor Vehicle Disposal Act of 1973. Referred to the Committee on Public Works.

By Mr. PROXMIRE (for himself, Mr. MCGEE, Mr. MCINTYRE, Mr. GRAVEL, Mr. THURMOND, Mr. CLARK, Mr. WILLIAMS, Mr. PERCY, Mr. HELMS, Mr. RANDOLPH, Mr. HANSEN, Mr. HUGHES, Mr. BIBLE, Mr. NELSON, Mr. DOMENICI, Mr. HUDDLESTON, Mr. ROTH, Mr. PELL, Mr. BARTLETT, Mr. HUMPHREY, Mr. HARRY F. BYRD, JR., and Mr. MCGOVERN):

S.J. Res. 159. A joint resolution to provide for the designation of the first Sunday in July of each year as "Walk a Mile for Your Health Day". Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HARTKE (for himself and Mr. GRAVEL):

S. 2500. A bill to establish an Office of Constituent Assistance, and for other purposes. Referred to the Committee on Rules and Administration.

OFFICE OF CONSTITUENT ASSISTANCE ACT

Mr. HARTKE. Mr. President, today, I introduce legislation to provide for reform of congressional procedures.

Mr. President, during the past 50 years, we have witnessed the growth of an ever-more-complex society. Problems of housing, employment, education, and health which hardly were imagined a half-century ago now beset us.

Today, there are few aspects of our daily lives that are not touched upon by the Government. One need only look about in this, the Nation's Capital, to see the vastness of our Government. Behind the walls of glass and stone sit people whose actions and decisions affect the lives of others who may be hundreds or thousands of miles away.

Inevitably, careless or senseless exercises of public authority occur. The bureaucratic process is prone to impersonality and redtape. Caught up in confusing regulations, procedures, and policies, the individual citizen is often helpless. Nearly 200 years ago our forefathers entered into a Declaration of Independence for the people claiming:

> In every stage of those oppressions we have petitioned for redress in the most humble terms: our repeated petitions have been answered only by repeated injury.

We, the elected representatives of the people, must establish a peaceful, efficient, productive, direct method for the people to petition their complex government for redress of their grievances.

The people who come to us in Congress in search of help, request an answer to a problem or a redress of a grievance. In short, they make use of us as their advocates. No function could be more appropriate, for we are here in Washington to represent their interests and look to their welfare.

So great have the needs of our constituents become that Members of Congress and their staffs spend from one-third to one-half of their time on what has come to be called "casework." Although constituents write to us about a multitude of problems, many letters concern a right or a benefit which has been denied or an administrative action which was undertaken arbitrarily.

In the face of an ever-increasing amount of casework, our staffs are finding it difficult to keep up with the mail. We must protect against the possibility that constituent requests for assistance receive only perfunctory treatment. The most diligent and efficient staff has a limit to the amount of casework which it can handle in depth.

Mr. President, because I join my colleagues in placing a high priority on casework, and because I am alarmed at the prospects for its rapid growth in the future, I am today proposing legislation which would create an Office of Constituent Assistance as part of the legislative branch. This office will assist Members of Congress in handling some of their casework, and thus free their staffs to spend more time on legislation.

I believe that the ties between a Member of Congress and a constituent are vital to the democratic process. Nothing in my proposal would weaken those ties or intrude upon that important relationship. In fact, the office I propose would actually strengthen our relationship with constituents by making it possible for us to serve them better.

The Office of Constituent Assistance would investigate those cases which have been referred to it by a Member of Congress or by a congressional committee. The Director of the Office is empowered to investigate those cases involving administrative actions which might be: First, contrary to law or regulation; second, arbitrary or unfair; third, mistaken in law; fourth, improper in motivation or based on irrelevant considerations; fifth, unclear or inadequately explained when reasons should have been revealed; sixth, inefficiently performed; or seventh, otherwise objectionable.

Certain matters and governmental agencies are exempted from the investigative powers of the OCA. Any administrative action which relates to a personnel decision affecting a member of the Armed Forces or an officer or employee of the Government of the United States, or any administrative action based upon a complaint which the Director of the OCA determines to be trivial or frivolous is exempted from investigation by the Director. Similarly, the Director's investigative powers do not extend to matters concerning the President, the Congress, the courts of the United States, or court-martial and military commissions. I raise these points because I wish to assure my colleagues that this legislation would not establish an all-powerful office of investigation. I merely propose to create a congressional office to help us in providing our constituents with assistance.

The Office would also assist us in establishing a priority analysis of issues which are of the greatest concern to the people. Each Member and each committee would send a weekly report to the office indicating the number of letters received on each issue. The Office would make a monthly report to each Congressperson of the inquiries and an analysis thereof.

The Director of the OCA would be an officer of Congress, appointed by the President pro tempore of the Senate and the Speaker of the House, upon the advice and consent of both Houses, for a term of 4 years. His findings and recommendations would be reported directly to the Member of Congress by whom the case was referred.

The paramount virtue of the Office of Constituent Assistance is that it would provide each of us with a central staff of caseworkers to assist our personal staffs. As is the case with the Office of Legislative Counsel and the Congressional Research Service, the OCA would make available a deep reservoir of expert talent to assist us in our work.

There is a second important advantage to be gained from establishing this office. At the present time, 535 different offices handle casework, but many of the problems handled by one office are mirror images of the problems handled by others. One centralized office will make it possible to determine if there are any patterns and common elements to constituent problems and thus facilitate legislative efforts to correct the conditions which cause these problems.

The establishment of such an office does not mean that we are less interested in the needs of our constituents, nor will it mean that we are in any manner removed from our responsibilities as advocates for our constituents. The OCA will enable us to perform these functions more efficiently and more effectively than in the past.

In summary, I believe that the Office

of Constituent Assistance would have these major advantages:

First, it would assist us in handling the ever-increasing volume of casework.

Second, it would enable us to give more detailed and expert attention to the problems of our constituents.

Third, it would enable our staffs to devote more time to legislation.

Fourth, it would enable each of us to handle the problems of our constituents with more efficiency.

Fifth, it would assist the Congress in correcting those administrative deficiencies which give rise to constituent complaints.

Mr. President, I have attempted to draft my proposal so that the delicate web of checks and balances and the layers of mutual respect and trust which exist among the various branches of Government are not injured. I am convinced that the caseworkers on our staffs are dedicated and highly competent professionals whose devotion to their work is proved every day of the year. In the final analysis, however, the amount of casework and our desire to do our best to meet the needs of constituents require us to seek help. That is why I am proposing that the Office of Constituent Assistance be established.

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

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

S. 2500

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 "Office of Constituent Assistance Act".

DECLARATION OF PURPOSES

SEC. 2. The Congress finds and declares that there is a need for a more explicit and reasonable method of handling constituent inquiries to the various Members; and that the bureaucratic process in the Federal Government is such that the citizenry is unable to ascertain the appropriate remedy to pursue in cases of grievances; that the various issues which concern the citizenry are so numerous that an analysis of these issues will lead to an informed representation; and that the staffs of the various Members are unable to expertly assist their constituents. In order to meet the needs of the constituents of the Congress persons and to establish a framework of national issue analysis within which the decisions of the Members can be made in a consistent and considered manner, and to stimulate an informed awareness of the national priorities, it is hereby declared to be the intent of Congress to establish an office within the Congress which will carry out the purposes herein set forth.

ESTABLISHMENT

SEC. 3. (a) There is established in the legislative branch of the Government the Office of Constituent Assistance (herein after referred to as the "Office").

(b) There shall be in the Office a Director of Constituent Assistance (hereinafter referred to as the "Director") and an Assistant Director of Constituent Assistance (hereinafter referred to as the "Assistant Director"), each of whom shall be appointed by the President pro tempore of the Senate and the Speaker of the House of Representatives and confirmed by a majority vote of each House.

(c) The Office shall be under the control and supervision of the Director, and shall have a seal adopted by him. The Assistant Director shall perform such duties as may be assigned to him by the Director, and during the absence or incapacity of the Director, or during a vacancy in that office, shall act as the Director.

(d) No person may serve as Director or Assistant Director while a candidate for or holder of any elected office, whether local, State or Federal, or while engaged in any other business, vocation, or employment.

(e) The annual compensation of the Director shall be at the rate provided for level III of the executive schedule in title 5 of the United States Code. The annual compensation of the Assistant Director shall be at the rate provided for level IV of such executive schedule.

(f) The terms of office of the Director and the Assistant Director first appointed shall expire on January 31, 1977. The terms of office of Directors and Assistant Directors subsequently appointed shall expire on January 31 every four years thereafter. Except in the case of his removal under the provisions of subsection (g), a Director or Assistant Director may serve until his successor is appointed.

(g) The Director or Assistant Director may be removed at any time by a joint resolution of the Senate and House of Representatives, when, in the judgment of the Congress, either has become permanently incapacitated, or has been guilty of any felony, misconduct, or any other conduct involving moral turpitude.

(h) The professional staff members, including the Director and Assistant Director, shall be persons selected without regard to political affiliations who, as a result of training, experience, and attainments, are exceptionally qualified to execute the purposes of the Office.

DUTIES OF THE DIRECTOR AND ASSISTANT DIRECTOR

SEC. 4. (a) Upon the request of any Member of either House of Congress, or the request of any standing committee, special committee, or select committee of the House of Representatives or of the Senate, or any joint committee of the Congress, the Director is authorized—

(1) to conduct or cause to be conducted, in such manner as he determines to be appropriate, an appropriate investigation of any administrative action not exempted under section 6, which might be —

(A) contrary to law or regulation;

(B) unreasonable, unfair, oppressive, or inconsistent with the general course of an administrative agency's functioning;

(C) mistaken in law or arbitrary in ascertainments of facts;

(D) improper in motivation or based on irrelevant considerations;

(E) unclear or inadequately explained when reasons should have been revealed;

(F) inefficiently performed; or

(G) otherwise objectionable;

(2) prepare a complete report on the results of the investigation, and furnish a copy of the report to the requesting Member or committee and furnish a copy of the report to the head of the agency concerned with a request for a reply, and whenever he determines not to investigate, inform the requesting Member or committee of his determination, with his reasons therefore; and

(3) prepare such interim reports to the Congress as he deems appropriate.

(b) The Director shall cause to be issued a questionnaire each week to each Member and committee which shall request information pertaining to a list of issues which each recipient shall promptly return to the Director indicating the number of constituent inquiries on each issue. The questionnaire shall—

(1) be without regard to political affiliation;

(2) contain available space for the addition of issues;

(3) contain space for comments peculiar to regional analysis; and

(4) reflect patterns peculiar to a single issue.

FUNCTIONS

SEC. 5. (a) The Office shall make such studies as it deems necessary to carry out the purposes of section 2. Primary emphasis shall be given to supplying such analysis as will be most useful to the Congress in voting on the measures which come before it, and on providing the framework and overview of priority considerations within which a meaningful consideration of individual measures can be undertaken.

(b) The Office shall submit to the Congress on the first Monday of each month, unless a legal holiday in which case the first working day thereafter, and annually on March 1 of each year, a report on constituent inquiries and copies of such reports shall be furnished to each committee and each Member of the Senate and the House of Representatives. The reports shall contain—

(1) an index of the issues and the total number of inquiries per each issue as furnished by the office of each Member and Committee;

(2) issues under investigation by the Office, and the agency involved; and

(3) recommendations concerning priorities among Federal programs and courses of action, including the identification of those programs and courses of action which should be given greatest priority and those which could more properly be deferred as reflected by the constituent inquiries.

EXEMPTED MATTERS

SEC. 6. No complaint shall be subject to investigation by the Director under the provisions of this Act if such complaint involves—

(A) any administrative action concerning the appointment, removal, discipline, benefits, or other personnel matters with respect to—

(1) any member of the Armed Forces of the United States;

(2) any officer or employee of the Government of the United States;

(B) any administrative action, which occurred more than one year prior to the date on which the person complaining of such action had actual notice thereof, except in unusual circumstances, the Director may investigate a complaint of an administrative action that would otherwise be exempt under this paragraph;

(C) any administrative action based upon a complaint which the Director determines, at his discretion, to be trivial, frivolous, vexatious, or not made in good faith.

DEFINITIONS

SEC. 7. As used in this Act, the term—

(A) "administrative action" includes action, omission, decision, recommendation, practice or procedure;

(B) "agency" means each authority of the Government of the United States, whether or not it is within or subject to review by another agency, and any officer, or member thereof acting or purporting to act in the exercise of his official duties, but does not include—

(1) the President;

(2) the Congress;

(3) the courts of the United States;

(4) the governments of the territories or possessions of the United States;

(5) the government of the District of Columbia;

(6) agencies composed of representatives of the parties or of representatives of organizations of the parties to the disputes determined by them;

(7) courts martial and military commissions; or

(8) military authority exercised in the field in time of war or national emergency.

ADMINISTRATIVE PROVISIONS

SEC. 8. (a) In order to carry out the provisions of this Act, the Director is authorized to—

(1) employ and fix the compensation of such attorneys, clerks, and other personnel as may be necessary to carry on the work of the Office, and such personnel shall be employed without reference to political affiliations and solely on the basis of fitness to perform the duties of the office;

(2) to make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the duties of the Office under this Act;

(3) delegate authority for the performance of any such duty to any officer or employee of such Office;

(4) request such information, data, and reports from any agency as the Director may from time to time require and as may be produced consistent with other law;

(5) hold private discussions or meetings with either the person complaining of an administrative action under investigation or officers or employees of the agency concerned, or both;

(6) prepare and submit annually to the President, to the Speaker of the House of Representatives and to the President pro tempore of the Senate a report on the activities of the Office during the previous year;

(7) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code; and

(8) use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(b) Upon request made by the Director each agency is authorized to make its information, data, and reports (including suggestions, estimates, and statistics) available to the greatest practical extent consistent with other laws to the Director in the performance of his functions.

(c) Section 2107 of title 5, United States Code, is amended by—

(1) striking out the "and" at the end of paragraph (7);

(2) striking the period at the end of paragraph (8) and inserting in lieu thereof a semicolon and the word "and"; and

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

"(9) the Director, Assistant Director, and employees of the Office of Constituent Assistance.".

EFFECT OF OTHER LAWS

SEC. 9. The provisions of this Act shall be in addition to the provisions of any other law or regulation under which any remedy or right of appeal is provided for any person, or any procedure is provided for the inquiry into or investigation of any matter, and nothing in this Act shall limit or affect any such remedy, right of appeal, or procedure. The powers conferred on the Director by this Act may be exercised by him notwithstanding any other provision of law to the effect that any administrative action or omission shall be final or that no appeal shall lie in respect thereof.

AUTHORIZATION OF APPROPRIATION

SEC. 10. There are hereby authorized to be appropriated to the Office of Constituent Assistance such sums as may be required for the performance of the duties of the Office under this Act. Amounts so appropriated shall be disbursed by the Secretary of the Senate on vouchers approved by the Office of Constituent Assistance.

By Mr. GURNEY (for himself and Mr. COOK):

S. 2501. A bill entitled the Motor Vehicle Disposal Act of 1973. Referred to the Committee on Public Works.

Mr. GURNEY. Mr. President, today I, along with the distinguished Senator from Kentucky (Mr. COOK) introduce a bill entitled the "Motor Vehicle Disposal Assistance Act of 1973." This bill would afford a practical means of disposing of junked and abandoned motor vehicles by providing Federal financial assistance to States to carry out programs approved by the Administrator of the Environmental Protection Agency.

Mr. President, I introduced this measure in the last Congress as I felt then, and still do, that one of the larger ecological problems facing America today, is the cluttering of streets and littering of the landscape by abandoned and junked vehicles.

Too often we simply use an item until we decide it is no longer of value and then we discard it in whatever manner is most convenient. The junked motor vehicle is the most obvious and noticeable example of our solid waste disposal problem.

Mr. President, this problem area involves not just autos, but also the growing and unsightly accumulation of junked buses and trucks encircling our cities, and dotting fields and vacant lots in the countryside.

This year, our motor vehicle manufacturing industry passed a significant milestone with the 300 millionth car coming off the assembly line. But, as the size of our automobile population grows, the number of vehicles being abandoned also grows and the Nation that relies on and enjoys the automobile is about to be overwhelmed by a proliferation of rusting hulks. It is indeed sad that the adage "old chassies never die, they just trade away" cannot be applied to junked vehicles, and it is time we realized that.

Mr. President, a look at the statistics indicates that the dimensions of the problem are becoming truly staggering. As of 1972, there were 96.9 million cars and 23.7 million trucks and busses registered in the United States. The Department of Transportation's Federal Highway Administration predicts that between 1971 and 1990 there will be a total of 162.7 million motor vehicles registered—a 51 percent increase over the 1972 total. The number of motor vehicles processed for scrap each year is about 8 million, of which 90 percent or 7 million are recycled. Therefore, we can safely say that at least 1 million motor vehicles each year and perhaps even more, are added to the visible junkpiles around the country. Although nobody knows exactly how many rusty hulks are strewn across the American countryside, the current estimates run between 15 and 20 million. This represents more than $1 billion of reusable metals.

Mr. President, although discarded motor vehicle hulks constitute a small fraction of the solid waste disposal problem in terms of tonnage, they are, however, higher in metal recycle value than most waste materials. The use of 1 ton of scrap eliminates the need for 1½ tons of iron ore, 1 ton of coke, and a half ton of limestone. Surely, in a time when our Nation must tighten up on her use of natural resources, this vast resource of ugly eyesores could go a long way in conserving what resources we have left.

Presently, American mills and foundries use from 60 million to 80 million tons of scrap annually. Without it, the iron and steel industry would rely entirely on dwindling supplies of American iron ore, coke, limestone, or imported ore from foreign mines.

Mr. President, we must rid our Nation of the use and discard syndrome, for old motor vehicle hulks also represent a source of other valuable materials which can be conserved, if a sound program such as I am proposing is put into effect. Presently 60 percent of all the rubber, 20 percent of all the steel, 10 percent of all the aluminum, over 7 percent of the copper, 13 percent of all the nickel, 35 percent of all the zinc, and over 50 percent of all the lead consumed in the United States goes for automotive use. Quite obviously, junk motor vehicles are truly a valuable resource out of place.

We must act now to take the necessary steps to recycle the ever-growing number of wornout hulks so that we can change our national eyesores into national assets. With this aim in mind, I urge my fellow colleagues to join with me in sponsoring the "Motor Vehicle Disposal Assistance Act" to provide aid to the States to be used for retrieving junked motor vehicles and processing them for scrap.

Mr. President, I would like to briefly outline what my bill would do:

This bill would offer Federal financial aid to the States and extracontinental territories administered by the United States to execute programs to remove junk motor vehicles from public thoroughfares, junkyards, and remote rural areas. Funds would be allotted to each State in an amount which bears the same ratio as the number of motor vehicles registered in such State bears to the number of such vehicles in all the States. The portion of any State's allotment for a fiscal year which will not be required will be reallotted no later than the 10th month of that fiscal year to other States in proportion to their original allotment.

Under this plan Federal regulations are to be established to spell out requirements for State participation. Such guidelines would include requirements to provide for the administration by a public agency in the State of a junked motor vehicle disposal plan to provide for the efficient removal to scrap processing facilities of junked motor vehicles. States would also provide an efficient means of transferring title of junked motor vehicles—or other evidence of ownership of such vehicles in States not requiring title certification—to public agencies or private business concerns charged with the responsibilty of processing such motor vehicles.

The criteria established under the section on State plans will also include, after thorough study and evaluation by the Secretary, pertinent information available from authoritative sources—as DOT, HEW, Interior, Commerce, President's Council on Environmental Qual-

ity, the Institute of Scrap Iron and Steel—a description of the most efficient means of transporting junked motor vehicles as well as the average cost of such scrap transportation.

Payments under this act will be made from a State's allotment to any State agency which administers a plan approved by the Administrator of the Environmental Protection Agency. Payments from a State's allotment with respect to the cost of carrying out its State plan will equal 50 percent of the costs for any fiscal year. In other words, half will be Federal; the other half will be State. The Federal share for the total cost of carrying out this plan will be $25 million per year, for fiscal year 1974 through 1977.

Under this bill, and with Federal assistance, States will be able to shrink, or at least begin to shrink, the huge accumulation of junk hulks to nothing within a few years. The ultimate goal would be a smooth flow of old motor vehicles back into the steelmaking facilities without the intermediate stops on city streets, junkyard stockpiles, or in woods off country roads. Unless this recycling occurs, we will soon find ourselves in a national crisis—buried in the effluents of our own affluence.

Mr. President, I feel this plan will assist the States in a twofold fashion. First, it will aid the States, which in most cases lack the financial resources to carry on a meaningful program on their own initiative. Second, this financial assistance should provide the needed incentive to pass State legislation dealing with junked motor vehicles.

Mr. President, I realize my bill is not the be-all and end-all and I do not offer it as the final word or the final solution—but, I think it is a good working start and I feel that the hearings held on this bill in the 91st Congress pointed to this fact. I continue to be amenable to suggestions, modifications, or improvements to my approach and I hope that the members of the Public Works Committee will view it in this light.

I have offered my bill at this time because I think it is a balanced, flexible, fundable, and easy to administer program which fills a very real and pressing need. It is my sincere hope that some significant legislation will come out of this Congress to deal with this mounting problem of junked and abandoned motor vehicles.

I ask unanimous consent that the bill I now introduce be printed in the RECORD.

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

S. 2501

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 "Motor Vehicle Disposal Assistance Act"

APPROPRIATIONS AUTHORIZED

SEC. 2. There is hereby authorized to be appropriated, not to exceed $25,000,000 for the fiscal year ending June 30, 1974, $25,000,000 for the fiscal year ending June 30, 1975, $25,000,000 for the fiscal year ending June 30, 1976, $25,000,000 for the fiscal year ending June 30, 1977.

GRANTS TO STATES

SEC. 3. The Administrator is authorized to make grants to States which have State plans approved by him, to pay the Federal share of the cost of carrying out motor vehicle disposal plans.

ALLOTMENTS TO STATES

SEC. 4. (a) From the sums available for the purposes of section 3 for any fiscal year, the Administrator shall allot not more than 2 per centum among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Canal Zone. From the remainder of such sums he shall allot to each State an amount which bears the same ratio to such remainder as the number of motor vehicles registered in such State bears to the number of such vehicles in all States. For the purposes of this subsection, the term "State" does not include Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Canal Zone.

(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Administrator determines will not be required to carry out the State plan for that fiscal year, shall be reallotted not later than the tenth month in such fiscal year, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Administrator estimates such State needs and will be able to use for such period for carrying out its State plans approved under this Act, and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

(c) The number of motor vehicles registered in a State and in all States shall be determined by the Administrator on the basis of the most recent satisfactory data available to him.

STATE PLANS

SEC. 5(a) Any State desiring to receive its allotment of Federal funds under this Act shall submit a State plan consistent with such basic criteria as the Administrator may establish. Such plan shall—

(1) provide for the administration by a public agency in the State of a junked motor vehicle disposal plan designed to provide for the efficient removal to scrap processing facilities of junked motor vehicles;

(2) provide assurances that a State law substantially in accordance with requirements established by the Administrator, after consultation with the Attorney General, has been enacted or will promptly be enacted by such State designed to provide an efficient means of transferring title of junked motor vehicles (or other evidence of ownership of such vehicles in States not requiring title certification) to public agencies or private business concerns charged with the responsibility of transporting such motor vehicles to scrap processing facilities;

(3) provide assurances that the State agency will pay from non-Federal sources the remaining costs of such program;

(4) set forth such fiscal control and fund accounting procedures as may be necessary to assure proper disposal of and accounting of Federal funds paid to the State agency (including such funds paid by the State agency to any agency of a political subdivision of such State) under this Act; and

(5) provide for making such reasonable reports in such form and containing such information as the Secretary may reasonably require to carry out his functions under this Act and for keeping such records and for affording such access thereto as the Administrator may find necessary to assure the correctness and verification of such reports.

(b) The Administrator shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

(c) Criteria established under this section shall include, after consideration by the Administrator of the latest and best information available, a description of the most efficient means of transporting junked motor vehicles, the average cost of such scrap transporting the requirements set forth in paragraph (2) of subsection (a), and other information as the Administrator deems relevant and necessary.

ADMINISTRATIVE PROVISIONS

SEC. 6. (a) In order to carry out the objectives of this Act, the Administrator is authorized to—

(1) promulgate such rules and regulations as may be necessary;

(2) appoint such advisory committees as he may deem advisable;

(3) procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code; and

(4) use the services, personnel, facilities, and information of any other Federal department or agency, or any agency of any State, or political subdivision thereof, or any private research agency with the consent of such agencies, with or without reimbursement therefor.

(b) Upon request by the Administrator each Federal department and agency is authorized and directed to make its services, personnel, facilities, and information, including suggestions, estimates, and statistics, available to the greatest practicable extent to the Administrator in the performance of his functions under this Act.

(c) Any agency or organization which receives assistance from a State under this Act shall make available to the Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, for purposes of audit and examination, any books, documents, papers and records that are pertinent to the assistance received by such agency or organization from the State under this Act.

PAYMENTS

SEC. 7. (a) Payments under this Act shall be made from a State's allotment to any such State agency which administers a plan approved under section 5. Payments under this Act from a State's allotment with respect to the cost of carrying out its State plan shall equal 50 per centum of such costs for any fiscal year. In determining the cost of carrying out a State's plan, there shall be excluded any cost with respect to which payments were received under any other Federal program.

(b) Payments to a State under this Act may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of underpayment or overpayments, and may be made directly to a State or to one or more public agencies designated for this purpose by the State, or to both.

WITHHOLDING OF GRANTS

SEC. 8. Whenever the Administrator, after giving reasonable notice and opportunity for hearing to a grant recipient under this Act finds—

(1) that the program or project for which such grant was made has been so changed that it no longer complies with the provisions of this Act; or

(2) that in the operation of the program or project there is failure to comply substantially with any such provision; the Administrator shall notify such recipient of his findings and no further payments may be made

to such recipient by the Secretary until he is satisfied that such noncompliance has been, or will promptly be, corrected. However, the Administrator may authorize the continuance of payments with respect to any projects pursuant to this Act which are being carried out by such recipient and which are not involved in the noncompliance.

DEFINITIONS

SEC. 9. As used in this Act—

(1) the term "Administrator" means the Administrator of the Environmental Protection Agency;

(2) the term "motor vehicle" means any vehicle driven or drawn by mechanical power manufactured primarily for use on the public streets, roads, and highways, except any vehicle operated exclusively on a rail or rails. The Administrator may exclude classes of motor vehicles other than passenger automobiles from the definition of motor vehicle for the purpose of this Act upon a finding that to do so is in the public interest;

(3) the term "junked motor vehicle" means any motor vehicle which the owner desires to dispose of, including derelict motor vehicles;

(4) The term "derelict motor vehicle" means any obviously abandoned vehicle which has component parts missing, is inoperable, or is worth less than $100 in value;

(5) the term "State" includes each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Canal Zone, and American Samoa.

By Mr. PROXMIRE (for himself, Mr. MCGEE, Mr. MCINTYRE, Mr. GRAVEL, Mr. THURMOND, Mr. CLARK, Mr. WILLIAMS, Mr. PERCY, Mr. HELMS, Mr. RANDOLPH, Mr. HANSEN, Mr. HUGHES, Mr. BIBLE, Mr. NELSON, Mr. DOMENICI, Mr. HUDDLESTON, Mr. ROTH, Mr. PELL, Mr. BARTLETT, Mr. HUMPHREY, Mr. HARRY F. BYRD, JR., and Mr. MCGOVERN):

S.J. Res. 159. A joint resolution to provide for the designation of the first Sunday in July of each year as "Walk a Mile for Your Health Day." Referred to the Committee on the Judiciary.

WALK A MILE FOR YOUR HEALTH DAY

Mr. PROXMIRE. Mr. President, on behalf of myself and Senators MCGEE, MCINTYRE, GRAVEL, THURMOND, CLARK, WILLIAMS, PERCY, HELMS, RANDOLPH, HANSEN, HUGHES, BIBLE, NELSON, DOMENICI, HUDDLESTON, ROTH, PELL, BARTLETT, HUMPHREY, HARRY F. BYRD, JR., and MCGOVERN I introduce for appropriate reference a resolution calling on the President to designate the last Sunday of May of each year as "Walk a Mile for Your Health Day."

Mr. President, two statistics that may seem unrelated in reality have a great deal to do with each other. First, 49 million adult Americans get no exercise beyond that required by their jobs. Second, heart disease accounts for 54 percent of all deaths in the United States.

What is the connection between these statistics? Well, simply put, the first statistic is a factor that contributes substantially to the second statistic. In other words a lack of exercise can lead to heart disease.

It is no coincidence that in the decade of the sixties, when everything from golf carts to electric can openers cut down on the effort we make to live in this affluent country, the rate at which young men between 25 and 44 died from heart attacks increased by an alarming 14 percent.

The heart is a muscle, like any other. It needs exercise, like any other. What happens if we put unusual stress on an unused muscle? A charley horse or a torn ligament. But if we put the same sort of stress on the heart the result may be a severe heart attack.

There are four generally recognized conditions that make any of us candidates for a heart attack. The first is heredity. If both of our parents have had heart trouble we have to be particularly careful to care for our heart. The second is smoking. The third is a high cholesterol level. And the fourth is inadequate exercise.

We cannot do anything about heredity. We may or may not be able to substantially reduce our cholesterol level without drugs. We can stop smoking, although many find this very difficult. But one very obvious, simple and important step we can take is exercise.

How do we exercise to get into shape and stay there? One thing we should not do is to go out after months or years of no exercise and run 2 or 3 miles or play a strenuous game of tennis.

The best, easiest, cheapest, and most enjoyable way to exercise is to walk your way to health. You can do it at any time of the day. You can do it anywhere. You can do it with your family or by yourself. You can do it without any special equipment.

And how enjoyable it can be. A brisk walk in the fall air is a tonic superior to anything you can get over your neighborhood drug counter. It has the further benefit of reacquainting you with those surroundings you normally whiz by in the car every few days. It makes you aware of your environment. It makes you realize how important it is to keep our air fresh and our water clean.

For all of these reasons I am introducing today a resolution calling on the President of the United States to proclaim the last Sunday of May each year as "Walk a Mile for Your Health Day."

I wish that I could claim this idea as my own. But it really started with a marvelous letter I received last January from Bruce Ruska of Chatham, Mich. I intend to have this letter reprinted in the RECORD at the conclusion of my remarks, because it spells out with the force of great sincerity how enjoyable and meaningful such a day could be for millions of Americans.

However, I was fortunate to be able to participate in a short term effort to implement the "Walk a Mile for Your Health Day" concept this past July.

This brief effort resulted in a symbolic walk with my Senate colleagues, Senators HARRY F. BYRD, JR., CHILES, JAVITS, MANSFIELD, MCGOVERN, NELSON, and THURMOND as well as a statement saluting the observance of "Walk a Mile Day" by the President of the United States.

The day was endorsed and proclaimed by President Nixon personally and by the President's Council on Physical Fitness and Sports. It received the specific endorsement of the American Medical Association as well as the American Heart Association and the Amateur Athletic Union.

A number of television commercials were played in cities around the country emphasizing the importance of this day to good health. Members of the television industry were particularly helpful in the promotion of this idea.

But we can do more. I am convinced that a congressional endorsement of the "Walk a Mile for Your Health Day" concept is essential if it is to become truly a national event. This coupled with a change in the date on which the event is to be celebrated to a time when Americans have not yet left for their summer holiday at the beach or the mountains would help to make the day a great success.

One ancillary effect of the "Walk a Mile" campaign should be a substantial saving in Federal tax dollars. Better exercise habits undoubtedly will lead to better health. As Americans are inspired by this resolution to get that vital exercise their medical bills will shrink. And Uncle Sam's cost in medical payments as well as lost productivity will dwindle.

Thus all of us who have an interest in reducing spending at the Federal, State, and local level should support this resolution.

These are the reasons 21 of my colleagues and I have introduced this resolution today. I hope that the Congress will act with dispatch to approve the measure so that planning for next year's event can proceed quickly and effectively. Quite literally, lives may depend on it.

I ask unanimous consent that the Ruska letter I referred to earlier in my speech, the President's statement saluting "Walk a Mile for Your Health Day," the Physical Fitness Council's proclamation, and the text of the resolution itself be reprinted in the RECORD at this point:

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

CHATHAM, MICH.,
January 18, 1973.

DEAR SIR: My name is Bruce Ruska, I'm 24 years old and single. Today is the 18th of January 1973. I don't know where you are, but I'm in Alger County and it's a really great day for winter. My girlfriend and I just came back from a mile hike down the highway in Forest Lake, Michigan. As I was walking I began thinking what would it be like if we set aside one day during the summer, probably a Sunday, where-as people would walk instead of drive. We could call it, "Walk A Mile For Your Health". This would be so helpful in so many ways, physical fitness would probably be the first. But just think of all the other ways, pollution from automobiles, I really don't know how much it would help pollution but it should in some way. I know it wouldn't be possible to stop all people from driving, people do have emergencies. But if people would sit down and just think about it, what harm could it do. Setting aside one day a year for this purpose sure wouldn't be asking much.

I just wonder how many people drive to the corner store maybe a mile away for a pack of cigarettes, a quart of milk, a loaf of bread, or a Sunday paper. Why can't people walk? How about a Sunday walk in the area around you? I know the area I live in, Alger

County, in the Upper Peninsula, I haven't seen all the beauty of nature within a couple of miles of my home town. People can learn many beautiful things from nature. People can have picnics and outings, getting together, talking to people, forgetting everyday problems, out in the fresh air of nature, while we still have some fresh air left to breathe. Walking and driving are two different things. What do you think about when you are driving? Do you think about the trees or the sky or how beautiful nature is? How about the beer cans and debris along our highways!

I don't know about you, but my mind is on my driving, do I need gas, maybe a quart of oil, do my tires have enough air in them? I hope you get my point. Now let's take a look when people are walking. Maybe you're walking down a highway, you talk about how beautiful that big blue sky is, the color of trees, heck, you could place those beer cans in neat piles along side a highway so the clean-up crew can do a better job at keeping our highways cleaner.

How about teaching your children to be better citizens! How about walking down a trail on a beautiful summer day with your family and friends. Maybe your going on a picnic or maybe just walking along a nice fishing stream. Stop and think about it, if not for you, how about your children! It's hard for me to put down on paper the feelings I had while I was walking down that highway on this beautiful winter day. I know many people who should read this will probably joke about it. People will probably think I'm one of those nature lovers, but I'm not, I'm just an average human being like you. So stop and just think about it for a second, "Walk A Mile For Your Health".

I would be very pleased if you would write back and let me know how you feel on this subject. I would also like to know if you plan to pursue this very important subject or whatever. Thank you.

Sincerely yours,

BRUCE RUSKA.

WALK-A-MILE-FOR-YOUR-HEALTH DAY

(By the President's Council on Physical Fitness and Sports)

A PROCLAMATION

Whereas appropriate physical exercise on a regular basis is instrumental in promoting good health and in preventing heart disease;

Whereas walking is a safe, inexpensive and effective form of exercise which is available to everyone except the disabled and the very young;

Whereas a recent national survey by the President's Council on Physical Fitness and Sports showed that 49 million adult Americans get no exercise beyond that required by their jobs; and

Whereas there are many urgent personal and economic reasons for placing greater emphasis on preventive health care;

Now, therefore, the President's Council on Physical Fitness and Sports does endorse and proclaim Sunday, July 1, as Walk-a-Mile-for-Your-Health-Day. States, municipalities and other local jurisdictions, and sports clubs and organizations, are urged to promote activities appropriate to this observance, and all individual Americans are urged to walk a mile on that day, alone or in company with others, as the first step toward a regular program of physical fitness.

STATEMENT BY THE PRESIDENT

This Sunday scores of Americans, including Members of the Congress, health and athletic associations, and the President's Council on Physical Fitness, and sports will join in celebrating "Walk a Mile for Your Health Day." I heartily join in saluting this observance.

Whether out of habit or inclination, millions of men and women in this country do not reap the benefits that simple walking will provide. Yet beyond the obvious health benefits of walking, I know from personal experience that long walks are refreshing exercises of the mind as well as the body. It offers time for reflection and time for personal thought.

"Walk a Mile for Your Health Day" this weekend is an opportunity for all Americans to recognize the many health benefits of walking. It is my hope that we will continue this and other important physical fitness programs on every day thereafter.

S.J. RES. 159

Whereas, regular moderate physical exercise is recognized scientifically as instrumental in promoting good health and in preventing heart disease;

Whereas, this Nation's tradition of vigorous physical exertion stands in healthy contrast to the present trend toward the sedentary life;

Whereas, walking is a pollution-free, natural, and inexpensive mode of transportation requiring no special skill or ability;

Whereas, walking allows individuals to experience the beauty of their surrounding environment; and

Whereas this Nation should make a commitment to persuading all Americans to sample the joys and benefits of walking: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the last Sunday of May of each year as "Walk a Mile for Your Health Day", and calling upon the people of the United States and interested groups and organizations to rededicate themselves to obtaining physical exercise through walking and, on that day, to abandon other modes of transportation in favor of walking.

S. 2495—ADDITIONAL REFERRAL TO COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. MAGNUSON. Mr. President, day before yesterday I introduced S. 2495 and asked and obtained unanimous consent to have the bill referred to the Committee on Science and then to the Committee on Commerce.

I ask unanimous consent that the bill be sent also to the Committee on Labor and Public Welfare.

The PRESIDING OFFICER (Mr. HOLLINGS). When the bill is reported by the first 2 committees, is there objection to the request of the Senator from Washington. The Chair hears no objection, and it is so ordered.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 2350

At the request of Mr. Moss, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 2350, to amend the National Aeronautics and Space Act of 1958 to provide for the coordinated application of technology to civilian needs in the area of earth resources survey systems, to establish within the National Aeronautics and Space Administration an Office of Earth Resources Survey Systems, and for other purposes.

S. 2354

At the request of Mr. HUMPHREY, the Senator from South Dakota (Mr. ABOUREZK) was added as a cosponsor of S. 2354, a bill to provide for the participation of the United States in the African Development Fund.

S. 2445

At the request of Mr. MCINTYRE, the Senator from Vermont (Mr. STAFFORD), the Senator from Maine (Mr. HATHAWAY), the Senator from Indiana (Mr. BAYH), the Senator from Colorado (Mr. DOMINICK), and the Senator from Illinois (Mr. PERCY) were added as cosponsors of S. 2445, a bill to amend the provisions of the Social Security Act to consolidate the reporting of wages by employers for income tax withholding and old-age, survivors, and disability insurance purposes, and for other purposes.

SENATE JOINT RESOLUTION 158

At the request of Mr. RANDOLPH, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of Senate Joint Resolution 158, to set aside regulations of the Environmental Protection Agency under section 206 of the Federal Water Pollution Control Act, as amended.

SENATE CONCURRENT RESOLUTION 48—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO CONGRESSIONAL POLICY AND FEDERAL RESPONSIBILITY TO THE AMERICAN INDIAN AND ALASKAN NATIVES

(Referred to the Committee on Interior and Insular Affairs.)

Mr. BARTLETT (for himself and Mr. DOMENICI) submitted the following concurrent resolution:

S. CON. RES. 48

Whereas the Constitution, legislation, judicial decisions, and executive action have recognized that the United States has a continuing duty and the legal and moral obligations of a trustee to American Indians and Alaska Natives, requiring the highest degree of loyalty, care, skill, and diligence by the United States in fulfilling that trust responsibility; and

Whereas Congress has from time to time, and particularly in H. Con. Res. 108 of the Eighty-third Congress, declared a congressional policy disavowing the responsibilities created by the aforesaid trustee obligation of the United States to certain American Indians and Alaska Natives, which policy has come to be known as the termination policy; and

Whereas the termination policy declared in H. Con. Res. 108 has created among American Indians and Alaska Natives apprehension that the United States may not in the future honor its trustee obligation, and uncertainty has severely limited the ability of Indian tribes to develop fully the human and economic potential of their communities in accord with their cultural values; and

Whereas the termination policy declared in H. Con. Res. 108 has had adverse social consequences for tribal communities and individuals upon which it has been imposed: Now, therefore, be it

Resolved by the United States Senate (the House concurring), That it is the sense of Congress that—

(1) the policy, of termination announced by H. Con. Res. 108 no longer represents the policy of Congress and is hereby repudiated as a policy of the Congress;

(2) the integrity and right to continued existence of Indian tribes and Alaska Native governments are expressly confirmed;

(3) the American Indians and Alaska Natives and their governments are, by this concurrent resolution, assured that the United States will continue to perform its trust responsibilities to them including, but not limited to, responsibilities for their health, education, and welfare, and that those trust responsibilities of the United States are recognized, reaffirmed, and will be performed with the highest degree of loyalty, care, skill, and diligence.

(4) the Federal Government shall be charged with the responsibility for developing program efforts and procedures that will improve the quality and quantity of social and economic development efforts of Indian people and maximize opportunities for Indian control and self-determination which shall be a major goal of our National Indian policy.

Mr. BARTLETT. Mr. President, over the years the Federal Government has experienced many failures in its relationship with the American Indian. None of the failures of recent years has been so apparent as the termination policy expressed in House Concurrent Resolution 108 passed by the 83d Congress in 1953. The policy expressed by this resolution served no useful purpose other than to threaten the Indian tribes with the termination of the trust relationship between the tribes and the Federal Government.

Indian people throughout the country have expressed the desire to have the policy of termination rescinded. President Nixon in his Indian message to Congress on July 8, 1970, called for an end to termination when he said:

For many years we have talked about encouraging Indians to exercise greater self-determination, but our progress has never been commensurate with our promises. Part of the reason for this situation has been the threat of termination.

Yet as a result of House Concurrent Resolution 108, termination remains the policy of the U.S. Congress.

Mr. President, I am today introducing a resolution asking Congress to repudiate the termination policy which for 20 years has hung over the tribes like the sword of Damocles. The resolution, if enacted, will end the era of termination and begin an era of self-determination for the Indian tribes.

Mr. President, I welcome others who wish to join me in this effort which will allow the Indian to determine his own destiny yet will reaffirm the Federal Government-Indian partnership.

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 160

At the request of Mr. HUMPHREY, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of Senate Resolution 160, to establish a temporary select committee of the Senate regarding regulatory agencies.

FEDERAL ACT TO CONTROL EXPENDITURES AND ESTABLISH NATIONAL PRIORITIES—AMENDMENT

AMENDMENT NO. 559

(Ordered to be printed and referred to the Committee on Government Operations.)

BUDGET REFORM

Mr. MUSKIE. Mr. President, I am introducing today on behalf of myself, Senator BROCK, and Senator MAGNUSON, an amendment, in the form of a substitute to S. 1541, the Federal Act to Control Expenditures and Establish National Priorities, on which the Government Operations Committee will begin markup sessions next week.

This amendment is a revised version of the amendment to S. 1541 Senator BROCK and I introduced in the Subcommittee on Budgeting, Management, and Expenditures. That amendment was defeated in subcommittee by a 5–4 vote.

The revised Muskie-Brock amendment calls for far-reaching, but workable, reforms of the system by which the Congress considers the Federal budget.

This amendment would provide for both a meaningful debate on budget priorities and for firm controls on Federal spending. It would, in fact, call for Congress to have completed all of its actions on the Federal budget before the beginning of each new fiscal year.

There is little dispute that the present congressional system of considering the budget is in need of reform.

Under the present appropriations process, Congress lacks both the staff and the information it needs to consider the budget comprehensively. Congress, to be sure, is at a disadvantage compared to the President in making budgetary decisions. It does not have its own budget staff, and it must rely on the executive branch for much of the information, the judgments, and the evaluations it needs to make fiscal decisions.

Under the present appropriations process, the Congress does not have the time it needs to consider the budget adequately. This time problem is twofold: Congress gets a late start on its budget consideration, and it cannot complete action on the budget in time to avoid forcing the executive branch to run on continuing resolutions for many months.

Under the current appropriations process, major spending decisions are fragmented. Presently, only 44 percent of the budget goes through the Appropriations Committee. And it is generally recognized that a principal cause of increased Federal spending is an ever-increasing use of backdoor spending measures which do not go through the regular appropriations process.

Mr. President, the challenge before the Congress is to solve those readily acknowledged problems with the appropriations process. S. 1541 would not do that. Rather, it is an overreaction to these admittedly serious problems which could, in the long run, complicate the process of congressional consideration of the budget even more.

First, S. 1541 would needlessly complicate the appropriations process by adding another committee. It is ironic that a budget reform aimed to do something about fragmentation of the budget process would further fragment that process by layering still another committee into the process.

The logical outcome of the creation of the Budget Committee—under S. 1541 it would be a virtual Executive Committee of the Senate—is the abolition of the Appropriations Committees. If the Budget Committee decides the priorities and reconciles spending with macroeconomic realities, the role of the Appropriations Committee would be substantially diminished and perhaps unnecessary.

Second, S. 1541 would establish by April 15 binding ceilings for all spending measures—ceilings that can only be changed by a two-thirds vote of the Senate. S. 1541 would enforce those binding ceilings by creating a hopelessly complex system of Senate rules that would tie up the Senate in its consideration of spending bills.

Those ceilings would be so binding that the Appropriations Committee would be prevented from reporting to the Senate floor an appropriations bill that it had approved if it exceeded any of the ceilings in the concurrent resolution. That means, for example, that if the Appropriations Committee after careful deliberation decided to cut $5 billion from the HEW appropriations bill, and add $4 billion to the Defense appropriations bill, the Defense bill could not be reported to the Senate floor even though the total spending for the two bills would be $1 billion less than the combined ceilings for the two bills in the concurrent resolution.

And the ceilings would be so binding that the full Senate would be prevented from passing an appropriations bill that exceeded any of the ceilings in the concurrent resolution—even if it voted to do so.

The proponents of S. 1541 argue that a simple majority of the Senate could change the ceilings in the first concurrent resolution by passing another concurrent resolution. But that would be unlikely since all concurrent resolutions must be reported by the Budget Committee.

Third, S. 1541 would require the Congress to make its most important decisions on budget priorities at the time it is least equipped to do so—at the beginning of its consideration of fiscal measures. Under S. 1541, Congress would set binding ceilings on expenditures before it has had the benefit of complete hearings on either authorization or appropriations bills. This approach would make a mockery out of the appropriations and authorization processes since all the most important decisions would be made long before either is completed. And it would effectively cut the public out of a significant role in the budgetary decision process of its government since it is through appropriations and authorization hearings that the public now gets its input.

Fourth, S. 1541 addresses neither of the critical timing problems with the current appropriations process. S. 1541 does call for the President to submit his budget to Congress by November 15, but as a practical matter, the period during which Congress would consider the budget would be the same as it is now—the period between the time it got back in January until it finished consideration. And even the proponents of S. 1541 project that under the procedure in that bill Congress would not complete action on the budget before October 30, a full

4 months after the beginning of the fiscal year. This timetable would put Congress in the ridiculous positon of cementing into law the fact that it cannot complete its consideration of the budget on time—before the beginning of the fiscal year.

In contrast, the substitute amendment we are offering would make some basic reforms in the current appropriations process to give Congress a firm handle on budget consideration.

First, it would provide Congress with more time to consider the budget by shifting the beginning of the fiscal year to October 1—a move recommended by the Comptroller General.

This would increase by a full 3 months the time Congress has to work on the budget. And in addition, our amendment would require that the action on authorization bills be completed by June 30 so that the Congress could spend the period between July 1 and September 30 working on appropriations bills.

Second, our amendment would not further fragment the appropriations process by adding another committee to it. Rather, recognizing that backdoor spending is the practice which accounts for the fragmentation of the budget process and the inability of Congress to maintain effective control over spending, our amendment would return control over backdoor spending measures to the Appropriations Committee and rename that Committee the Committee on Budget and Appropriations.

Third, our approach would require the Congress to establish initial targets for spending before it begins consideration of individual appropriations bills. In fact, under our amendment, the Congress would pass a concurrent resolution on the Budget similar to the one it would pass in S. 1541. However, our amendment would give Congress the flexibility to readjust those targets as it further considered spending measures.

Then, under our approach, after all individual appropriations measures had cleared Congress—but before the beginning of the next fiscal year—Congress would make whatever adjustments it thought necessary to reconcile its actions on individual spending measures with the initial targets set forth in the first concurrent resolution.

This approach would provide for a meaningful debate on budget priorities both at the time the first concurrent resolution was considered and, more importantly, at the end of the budgetmaking process when Congress adjusts its actions on individual spending measures.

Most importantly this procedure would allow Congress to make its final decisions on budget priorities at the end of its process of consideration of the budget rather than forcing it to make that final decision at the beginning of the process.

Mr. President, this amendment is a workable alternative to S. 1541. It would provide real and meaningful reforms of our appropriations process. And it would allow Congress to get a firm handle on Federal spending.

I ask unanimous consent that Senator BROCK's remarks, a copy of the amendment, and a summary and explanation of the amendment be inserted in the RECORD at this point.

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

STATEMENT BY SENATOR BROCK

I am pleased to join with the distinguished Senator from Maine, Mr. Muskie, in offering an amendment, in the nature of a substitute, to S. 1541, a bill to control spending and upgrade priorities.

No subject before the Congress is closer to my heart than thoroughgoing reform of the Congressional budgetmaking process. We simply must do a better job of allocating the people's money than the current haphazard system.

There is substantial agreement on that point. And yet, agreement on the details of any particular reform system has been complicated by the extremely complex nature of the subject itself, and by the plethora of new ideas and suggestions that have been brought to the fore.

The procedural system which would be established under this amendment is an effective and workable one. It is a system which can engender wide support from this body. I believe, in short, that it is a practical avenue to the early achievement of the reform we need so badly.

In addition, it corrects three principal trouble spots in S. 1541, as reported out by the budgeting and management subcommittee. First, it avoids adding another layer of committees to the budget consideration process, with the inevitable slowing of the process which that brings. Second, it does not inhibit the ability of Senators to seek the flexibility of change in spending priorities. History has shown us that when reasonable flexibility is lacking, ceilings, goals and deadlines very quickly find themselves ignored.

Third, it avoids putting Congress into the ridiculous position of writing into law the fact that it cannot complete its budget deliberations prior to the beginning of the fiscal year.

A particularly noteworthy feature of this amendment is the new control it would give the Congress over backdoor spending, by requiring these items to be processed through a new Committee on Budget and Appropriations.

In addition, the amendment changes the beginning of the fiscal year from July 1 to October 1, and establishes a budget development schedule which assures that final action on the budget will be completed prior to the start of the fiscal year, thereby ending the supplemental appropriations system which has ill-served the country, creating an administrative nightmare for local and state recipient agencies.

Throughout the budget development process there are safeguards against exceeding agreed-upon spending limits, a crucial feature, and there are also required of both the Executive and Congressional budgets, five-year spending projections on all programs. This feature is one of the most important elements of any reform, for we must have a way of knowing whether newly-sought programs are going to balloon in cost, as some have during the last decade.

Another important feature is the creation of a Congressional Office on the Budget, the professionally staffed "legislative OMB" which will give us, for the first time, the expertise and resources to do the job effectively.

In short, this amendment represents a workable system of budget reform, one that can be supported by Senators of all persuasions. I am pleased to join with Senator Muskie in offering it, and urge quick action on it.

SUMMARY AND EXPLANATION OF PROPOSED MUSKIE-BROCK AMENDMENT

The substitute amendment to be offered by Senators Muskie and Brock is designed to strengthen and to reform the Congressional budget process.

It would give Congress the firm handle it needs to control the budget process and to control Federal spending by returning jurisdiction over all spending measures—including backdoor spending—to one committee, a Committee on Budget and Appropriations.

It would provide Congress with the resources it needs for efficient and expeditious consideration of the budget by creating a Congressional Office on the Budget and by requiring the President to submit a current services budget to Congress two months in advance of the submission of his final budget.

It would provide for a meaningful debate on budget priorities both early in each session and, more importantly, at the end of the budget decision-making process, the time when the full Senate is best informed about the spending priorities decisions it must make.

It would move the beginning of the fiscal year to October 1, to insure that Congress completes consideration of the budget prior to the beginning of each fiscal year.

Most importantly, it would insure members of Congress and Congressional Committees maximum flexibility during consideration of spending measures, and, at the same time, provide for firm spending controls on both the Congress and the Executive Branch.

And, unlike the Subcommittee bill, it would do all of these things without adding another layer of committees to the budget consideration process, without unnecessarily reducing the flexibility of Congress to set spending priorities, and without putting the Congress in the ridiculous position of cementing in law the fact that it cannot complete its consideration of the budget on time—before the beginning of the fiscal year.

REVISED AUTHORITY OF THE APPROPRIATIONS COMMITTEE AND CONTROL OF BACKDOOR SPENDING

This amendment would return control over backdoor spending measures to the Appropriations Committee and rename that Committee the Committee on Budget and Appropriations.

The Joint Study Committee on the Budget presented conclusive evidence that backdoor spending is the practice which accounts for the fragmentation of the budget process and the inability of Congress to maintain effective control over spending. The record of the Appropriations Committee has, in fact, been one of cutting spending below the level recommended by the President in his budget.

At the present time, however, more than $100 billion in spending does not go through the Appropriations Committee. One of the main reasons for this is the upsurge in backdoor spending in recent years.

If the backdoor spending is again policed by the Appropriations Committee, it will be possible to control spending and set spending priorities within the regular Appropriations process.

CHANGE IN THE FISCAL YEAR

Under this amendment, the fiscal year would begin on October 1 rather than on July 1. An October 1 date would enable the Congress to adequately consider the budget, and it would enable the President to submit a budget using actual prior year figures. As Comptroller General Staats has said:

"It is clear that the Congress cannot reasonably be expected to complete appropriation action on the budget by July 1."

Moving the fiscal year to October 1 would eliminate one of the most serious budgetary problems the Congress now faces—that of having to run the country on continuing

resolutions from July 1 until the appropriations process is completed. And, moving the fiscal year to October 1 would eliminate the incredible circumstance that would result from the Subcommittee bill of the Congress writing into law the fact that it cannot finish consideration of the budget before the beginning of the fiscal year.

CONGRESSIONAL OFFICE ON THE BUDGET

Like the Subcommittee bill, this amendment will create a Congressional Office on the Budget to give the Congress the resources it needs to consider the budget. The Congressional Office on the Budget will serve the Budget and Appropriations Committee. The Congressional Office on the Budget will be basically the same as it is in the Subcommittee bill.

EXECUTIVE SUBMISSION OF THE BUDGET

This amendment would provide the Congress with additional and more timely budget information by requiring the President to submit his budget in two parts.

First, by December 1, the President would be required to submit to the Congress a current services budget. This would provide the Congress with an estimate of spending for the next fiscal year based on current spending levels. A current services budget will ordinarily be a 90 to 95 percent reflection of the final budget, and will provide the Congress basic budget information to start its own budget consideration process.

Second, the President's final budget would be submitted to Congress at the same time he does now. With the current services budget as a base, Congress will be in a better position to analyze the budget impact of policy changes by the Executive Branch as soon as the final budget is submitted.

FIRST CONCURRENT RESOLUTION ON THE BUDGET

Like the Subcommittee bill, this amendment would require enactment of the First Concurrent Resolution on the budget. This Resolution would set out the following:

1. Total budget authority and total outlays;
2. Revenue estimate;
3. Estimated surplus or debt; and
4. A breakdown of individual spending measures by budget authority contained in regular appropriation bill categories and in permanent appropriation categories (backdoor and mandatory spending measures) by functional areas.

The timetable for consideration of the First Concurrent Resolution would be somewhat different than that in the Subcommittee bill. And the First Concurrent Resolution, under this proposal, would be reported to the floor by the Budget and Appropriations Committee rather than by the Budget Committees. The Budget and Appropriations Committees would be required to report the Resolution to the Senate by June 1. By June 15, the Senate shall complete its action on the Resolution, and by July 1, final Congressional action on the First Concurrent Resolution shall have been completed.

This timetable will provide Congress with a reasonable amount of time in which to consider the First Concurrent Resolution. Congressional hearings on the budget will be well under way—and some of them perhaps completed—by the time the Budget and Appropriations Committee reports the First Concurrent Resolution to the Senate. Under the Subcommittee bill, in contrast, the Senate committees would be forced to supply their input to the budget committee by February 15, a date by which in every other year some committees have barely even organized.

AUTHORIZING LEGISLATION

All authorization legislation for the next fiscal year must be enacted prior to June 30. If action on regular authorization bills is not completed by June 30, Congress may move directly to consideration of appropriations measures in those areas where authorizing legislation has not been enacted.

CONSISTENCY IN THE FIRST CONCURRENT RESOLUTION

Before action on the First Concurrent Resolution can be completed it must be consistent in that the sum of the budget authority contained in the breakdown of individual spending measures must equal the total budget authority in the Resolution. In the event that is not the case after action on all amendments is completed, the Resolution shall be recommitted to the Budget and Appropriations Committee to be made consistent. A consistent First Concurrent Resolution must then be reported within three days.

REPORT ACCOMPANYING FIRST CONCURRENT RESOLUTION

The report accompanying the First Concurrent Resolution should include the following items:

1. A comparison of the figures in the Resolution with those in the President's budget;
2. A statement of the economic objectives underlying the Resolution; and
3. Five-year projections of expenditures, revenues, surpluses and deficits.

SCOREKEEPING PROCEDURES

This amendment would add extensive scorekeeping provisions. The purpose of the scorekeeping provisions is to keep the Congress informed during its consideration of authorization and spending measures of how its actions correspond to the appropriate spending levels set forth in the First Concurrent Resolution.

The elements of the scorekeeping provisions include:

1. All reports of all committees shall include a section written in consultation with the director of the COB detailing:
   a. how that bill would compare with the figures in the Concurrent Resolution; and
   b. a five year projection of the impact of the bill on expenditures.
2. The COB shall prepare daily tabulations of Congressional progress on spending bills.
3. After reconciliation COB shall prepare a report detailing a five year projection of the impact of Congressional action.

REAFFERMATION OF CONGRESSIONAL SPENDING PRIORITIES AND RECONCILIATION

By September 30, Congress shall enact a bill that reconciles the actions it has taken on individual spending measures with the appropriate levels for spending it set out in its latest Concurrent Resolution.

This process will not only allow the Congress to adjust its spending actions, but it will also permit the Congress to take a final look at its overall spending priorities and either reaffirm or adjust the priorities it established in the First or succeeding Concurrent Resolutions.

The process would work like this:

All Congressionally approved spending bills would have written into their enacting clause a provision triggering their going into effect upon the passage of the reconciliation bill.

If the sum of the individual spending measures approved by the Congress is equal to or less than the total spending ceiling in the most recently enacted Concurrent Resolution, then the Budget and Appropriations Committees would report and the Congress would enact a bill to trigger the previously approved spending measures.

If the sum of the individual spending measures approved by Congress exceeds the total spending ceiling in the most recently approved Concurrent Resolution, the Budget and Appropriations Committees would report and the Congress would enact a bill that makes the spending total in individual bills consistent with an overall spending ceiling. That bill can raise the overall spending ceiling to equal the total of the spending in individual bills; it can contain cuts in individual bills to meet the spending ceiling in the latest Concurrent Resolution; or it can make adjustments somewhere in between. In the case that floor amendments make the reconciliation bill inconsistent, the same recommital process should be followed as during consideration of the First Concurrent Resolution. The reconciliation bill, when enacted, would automatically trigger previously approved spending bills.

A key element of this reconciliation process is that it be completed before the beginning of the fiscal year.

The reconciliation bill is reported by the Budget and Appropriations Committee which has jurisdiction under this amendment over all spending bills, including backdoor spending.

Under this procedure, the Congress would send to the President at one time all of its spending action for the year. This procedure would give the Congress a stronger hand in dealing with the President on spending matters. However, unlike an omnibus appropriations bill, this procedure would mean that individual spending measures would go to the President as separate bills. That means he could veto one spending measure without vetoing the entire budget.

But most importantly, this approach gives Congress the opportunity to deal with the problems setting budget priorities in line with economic realities at a time in which the members of Congress are best equipped to make that kind of decisions—at the end of the budget decision-making process, not at the beginning. It would parallel the construction of the President's own budget which, after all, is the sum total of a great many individual decisions. The Congressional determination of budget priorities would be what it should be—an end-product of the decision-making process—not an early stage, running, flying guess based on little specific information.

AMENDMENT NO. 561

(Ordered to be printed and referred to the Committee on Government Operations.)

Mr. JAVITS. Mr. President, I introduce an amendment to S. 1541, the budget reform bill, relating to tax expenditures.

My amendment provides that the revenue effects of tax expenditures such as those enumerated in the publication by the House Ways and Means Committee entitled "Estimates of Federal Tax Expenditures" be reviewed by the appropriate committees and the Congress in the consideration of budget ceilings. I believe we cannot have a meaningful debate on Government spending without some consideration of indirect spending by way of the tax system.

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

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

AMENDMENT NO. 561

On page 21, line 6, Section 2 is amended by renumbering paragraphs "(3)" and "(4)" as "(5)" and "(6)" and adding the following two paragraphs:

"(3) The term 'tax expenditures' means those reductions in Federal revenue attributable to provisions of the Internal Revenue Code which grant a special exclusion, exemption, deduction, deferral, credit, rate of tax or other monetary benefits representing a deviation from the normal income tax rate

structure for individuals and corporations. The term 'tax expenditure budget' means the enumeration of such tax expenditures as published by the House Ways and Means Committee in 'Estimates of Federal Tax Expenditures'. Such enumeration shall correspond to the functional classifications shown in the most recent budget of the United States.

"(4) With respect to this Act, the terms 'new budget authority,' 'outlays' resulting therefrom or 'new budget outlays' shall include the amount of losses in Federal revenues attributable to any tax expenditures to be enacted or expanded in the fiscal year or years under consideration."

On page 22, line 8, Section 101(a) is amended by adding the following new sentence: "Such limitations and further subdivision shall take into account existing federal tax expenditures in each such area of allocation and subdivision."

On page 22, line 20, Section 101(a) is amended by relettering "(F)" and "(G)" as "(G)" and "(H)", and inserting the following new clause:

"(F) The publication of the existing levels of tax expenditures (the tax expenditure budget, consideration of their effect on federal revenues and their relationship to matters set forth in clauses (A) through (E) above."

On page 23, line 10, Section 101(a) is amended by relettering "(C)" as "(D)" and inserting the following new clause:

"(C) to make continuing studies of tax expenditures and methods of coordinating the categories of tax expenditures policies and programs and direct budget outlays, and to report the results to the Senate on a recurring basis."

On page 24, line 19, Section 102(a) is amended by adding the following new sentence: "Such limitations and further subdivision shall take into account existing federal tax expenditures in each such area of allocations or subdivision."

On page 25, line 7, Section 102(a) is amended by relettering "(f)" and "(g)" as "(g)" and "(h)", and inserting the following new paragraph:

"The publication of the existing level of tax expenditures (the tax expenditure budget), consideration of their effect on federal revenues and their relationship to the matters set forth in paragraphs (a) through (e) above."

On page 25, line 22, Section 102(a) is amended by renumbering "(3)" as "(4)", and inserting the following new clause:

"(3) to make continuing studies of tax expenditures and methods of coordinating the categories of tax expenditure policies and programs and direct budget outlays, and to report the results to the House on a recurring basis.

On page 30, line 24, Section 202(a) is amended by adding the following clause after the word "authority." "and tax expenditures"

On page 32, line 9, Section 202(d) is amended by striking everything after "forth" to the end of that sentence, and inserting the following: "The existing levels of tax expenditures and an estimate, based on projected economic factors, of any anticipated change in the level of tax expenditures for the fiscal year referred to above."

On page 32, line 21, Section 202(e) is amended by adding the following new sentence: "The information shall include the effects of tax expenditures on the above."

On page 34, line 15, Section 301(a) is amended by renumbering paragraph "(5)" as "(6)" and inserting the following new paragraph:

"(5) TAX EXPENDITURE BUDGET.—The tax expenditure budget by major budget category;"

On page 58, line 24, Section 501(a) is amended by striking everything after "title," through "be)," on page 59, line 1.

On page 61, line 12, Section 602(a) is amended by striking everything after "separately" and inserting the following: "The existing levels of tax expenditures and an estimate based on projected economic factors, of any anticipated change in the level of tax expenditures for that fiscal year."

On page 63, line 5, Section 602 is amended by inserting the following phrase after the word "programs": "including assistance from tax expenditures"

On page 63, line 21, at the end of that line add the following: "or tax expenditure"

FOREIGN ASSISTANCE ACT OF 1973—AMENDMENTS

AMENDMENT NO. 560

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

Mr. ABOUREZK submitted an amendment intended to be proposed by him to the bill (S. 2335) to amend the Foreign Assistance Act of 1961, and for other purposes.

AMENDMENT NO. 562

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

Mr. HUMPHREY submitted an amendment intended to be proposed by him to the bill (S. 2335), supra.

AMENDMENT NO. 563

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

Mr. HUMPHREY (for himself, Mr. JAVITS, and Mr. DOLE) submitted an amendment intended to be proposed by them jointly to the bill (S. 2335), supra.

AMENDMENT NO. 564

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

Mr. JAVITS submitted an amendment intended to be proposed by him to the bill (S. 2335), supra.

AMENDMENT NO. 566

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

Mr. HELMS submitted amendments, intended to be proposed by him to the bill (S. 2335), supra.

AMENDMENT NO. 567

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

Mr. FULBRIGHT submitted an amendment, intended to be proposed by him, to the bill (S. 2335) supra.

BILINGUAL COURTS ACT—AMENDMENT

AMENDMENT NO. 565

(Ordered to be printed and referred to the Committee on the Judiciary.)

Mr. TUNNEY. Mr. President, on May 7 I introduced S. 1724, the Bilingual Courts bill, to give all non-English speaking citizens a right to interpreters in judicial proceedings.

This legislation is vitally needed if we are going to protect individuals handicapped by their inability to speak or understand the English language so as to comprehend the charges made against them. It is a protection demanded by the Constitution and fully recognized by the courts.

Therefore, as a result of extensive conversations with many individuals deeply interested in seeing this legislation pass, I offer an amendment to S. 1724 proposing that certain changes be made which should strengthen and improve the measure without in any way negating its original intent. These changes are as follows:

First. The population figure established in section 2 for the purpose of designating certified bilingual districts unnecessarily excludes certain minority groups whose numbers are not reflected in the census statistics as strongly as those of other non-English speaking groups, but whose rights to courtroom interpreters are nevertheless equal. For this reason, I have amended the bill to provide that all individuals have the right to interpretation where the need is demonstrated.

Second. Section 3(a)(1) which makes the granting of simultaneous interpretation in criminal proceedings a matter of judicial discretion is retained; however, once granted, the right is broadened to encompass all phases of the proceedings, including arraignment, hearings, and trial.

Third. Another provision is added [section 2(a)(2) of the amendment] which permits a judge to determine in a civil proceeding whether translation should be simultaneous, consecutive or summary. However, if a party requests simultaneous translation, then the court must give the request special consideration. The purpose here is to insure maximum protection of a non-English speaking party's rights even in civil proceedings, while recognizing that in certain cases where the factual issues are of a highly technical nature, the interests of justice may still be served and the proceedings expedited by interpretation that is not simultaneous.

Fourth. The provision in section 2 pertaining to certification of interpreters is strengthened to require the use of a certified interpreter for any individual incapable of speaking or understanding the English language. An interpreter not so certified can only be used after the court has demonstrated that it was unable to locate a certified interpreter.

While this establishes the fundamental right to a highly qualified interpreter, it also recognizes the fact that in certain areas of the country a particular non-English language is spoken only by few individuals or the language is generally one of such rarity that interpreters certified in the language are unavailable.

Fifth. In lieu of the provision requiring electronic recording of the entire proceedings in all cases, a provision is substituted which permits the judge discretion in requiring such records. This change would reduce costs while still providing for adequate verification of the official transcript of the proceedings. The possibility of error in translation from one language to another, which such recordings are designed to detect, will also be substantially lessened by the use of certified interpreters. This is also reinforced by the addition of language requiring the Director of the Administrative Office of the Courts to direct the employment of certified, full-time or part-time interpreters where justified.

Sixth. A provision is added requiring the Director of the Administrative Office of the Courts to report to the Congress

annually on the frequency of requests for, and the use and effectiveness of interpreters pursuant to the provisions established in this bill.

Seventh. In lieu of the provisions pertaining to payment of interpreter's fees and recording costs, language is substituted which requires payment of such fees and costs in all criminal proceedings by funds appropriated to the Judiciary. In civil proceedings, the court may, at its discretion, direct that all or part of such expenses be apportioned between the parties or allowed as costs in the action.

With these changes, I believe that the legislation will be substantially enhanced.

I urge the Senate to give its strong support to this measure.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 535

At the request of Mr. TUNNEY, the Senator from Massachusetts (Mr. KENNEDY), the Senator from Illinois (Mr. STEVENSON), the Senator from South Dakota (Mr. ABOUREZK), and the Senator from Utah (Mr. Moss) were added as cosponsors of amendment No. 535, intended to be proposed by Mr. TUNNEY (for himself, Mr. HUMPHREY, and Mr. CRANSTON) to the bill (S. 2335) the Foreign Assistance Act of 1973.

NOTICE OF HEARINGS ON S. 794 AND S. 2292

Mr. CRANSTON. Mr. President, I wish to announce that the Subcommittee on Labor will hold open hearings on October 4, 1973 at 10 a.m. in room 4232, Dirksen Senate Office Building, on S. 794 and S. 2292 to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals. Testimony will be received from the AFL–CIO. For further information contact the Subcommittee on Labor, room G–237, Dirksen Senate Office Building, telephone number 225–3674.

ADDITIONAL STATEMENTS

NEW STUDY SHOWS FAILURE OF BUSING

Mr. BROCK. Mr. President, those of us who have opposed the concept of forced busing of schoolchildren to achieve racial balance have argued that such a system injures the educational process by placing an artificial goal—balance—ahead of the proper goal of education, education itself.

Our opponents have argued that in fact education was promoted by busing, contending that the achievement levels of black students were being adversely affected by the lack of racial balance in the schools. Black children, they maintained, would get a better education in appropriately balanced schools than they would otherwise. That being the case, the goal of quality education would be served by busing.

At the time that argument was advanced, there was no empirical data by which to prove or disprove the busing proponents' theory. Now that we have had busing schemes in effect for several years in some cities, however, a factual study of the results is possible.

Such a study has been prepared by Jeffrey J. Leech, and published in the Indiana Law Review. It demonstrates conclusively that the probusing theory was not correct. Busing has not increased the achievement levels of black students. Indeed, most cities reported that the achievement gap between white and black students had widened after busing.

In view of this factual evidence, it should be obvious that busing is not needed and not warranted. The Leech study removes any trace of an intellectually honest foundation for busing. I do not see how any Senator can now support the continuance of this system, and I believe this body should move swiftly to outlaw its existence, preferably by constitutional amendment.

A good summary of the Leech study has been published by the Indianapolis News, and I would ask unanimous consent that it be printed in the RECORD at this point.

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

SUMMARY—NEW STUDY SHOWS FAILURE OF BUSING

(By Stan Evans)

Citizens perplexed by the issue of busing and wondering what the controversy is all about now have a solidly factual answer available to them.

The Indiana Law Review, 735 W. New York St., has published an extensive study of the issue conducted by . . . Jeffery J. Leech, which answers most of the major questions in admirable fashion. . . .

Leech traces the development of the busing movement from both a legal and sociological standpoint—beginning with the Supreme Court's 1954 decision in Brown vs. Board of Education, embracing the Coleman Report and the education studies of the Federal bureaucracy, and concluding with the somewhat cryptic utterances of Chief Justice Warren Burger.

The author shows from these and other sources that the object of busing is to surround Negro children with white culture and white schoolmates, on the theory that such enforced association will improve learning skills, raise achievement horizons, and smooth out racial antagonisms. This so-called "contact" theory was a sociological creation more or less invented to replace all the other previous theories about increased spending, pupil-teacher ratios, etc., that had already failed.

Now that we have had several years of extensive busing, Leech observes, it is possible to find out whether the theory is right or not. A year ago David Armor of Harvard caused a considerable stir by examining the evidence on half-a-dozen experiments with busing which failed to demonstrate any of the hoped-for effects and in many cases produced the opposite of the results intended. Now Leech has extended the survey to include data above and beyond the researches of Armor.

". . . of the 10 cities which have systematically studied the effects of busing on the achievement levels of school children," Leech concludes, "one shows moderate gains (Sacramento), two show mixed results (Hartford-New Haven, Rochester) three are inconclusive (Buffalo, Evanston, White Plains), and four show either losses or no significant gains (Ann Arbor, Berkeley, Boston, Riverside). In every city studied, busing failed to reduce the gap between black and white achievement.

"In fact, most cities reported that the achievement gap had grown even larger after busing. Scholars who have reviewed the evidence, including Armor, Bell, Edmonds, Glazer, and St. John, have concluded that busing has little if any effect on the academic achievement of either black or white children. Thus, the most recent sociological evidence fails to confirm a basic premise underlying the rationale for court-ordered busing, i.e., that it will positively affect the academic performance of minority children."

Leech also examines data concerning self-esteem, achievement goals, and racial harmony and comes to similar conclusions. In case after case, he finds the result of busing to be psychologically harmful rather than beneficial, and in particular to be a source of racial friction rather than amity. He notes several cases where antagomisms were directly traceable to busing and adds that "in no city did busing appear to increase interracial contact or better interracial understanding."

It is in alleged pursuit of these goals that busing has been promoted in all cities studied and numerous others including our own, at enormous cost in dollars spent and disruption of the affected communities. Leech urges a searching reappraisal of the whole affair, concluding that "in light of the tremendous social, political, and economic costs being paid for busing, the absence of any consistent educational gains, the deleterious psychological impact of busing upon black children, and the increasing polarization of the races, such a re-examination is long overdue."

SOMETHING NEW UNDER THE SUN

Mr. MOSS. Mr. President, in the past 9 months no single subject has received more discussion than our soaring food prices. If the problem were not such a severe one that has created such a hardship for so many families, one might say that the entire matter had been overdiscussed, overanalyzed, and overplayed.

And surely one would think that by now there would be nothing new left to say on the subject. But I am pleased that this is not the case. We are an inventive and problem-solving people, always ready with fresh solutions to difficult problems.

Just this past Friday, the Salt Lake City Deseret News published an editorial that contains a number of new, and I believe, very sound ideas on what might be done to hold down food prices while we strive to increase agricultural productivity and supply. The editorial mentions such measures as centralization of operations at the retail level, cutting down on overhead, and the possibility of applying certain technological innovations.

As the editorial notes, Salt Lake City has been particularly hard hit by the recent rise in food prices, and now ranks fourth in average food prices among 20 major cities across the Nation.

It is essential that Congress continue to take steps that will enable supply to meet demand, which in the long run is the only way to achieve price stability. But in the meantime, the suggestions put forward by the Deseret News have considerable merit.

I ask unanimous consent that the edi-

torial from the September 21 edition of the Deseret News be printed in the RECORD.

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

HERE'S A HIGH RATING SALT LAKE CITY CAN DO WITHOUT

If anyone has a reasonable explanation for the way food prices seem to have increased more sharply in Salt Lake City than in many other parts of the country, let's hear it.

In terms of average prices for a typical market basket of food items, Salt Lake City has gone from 12th among 20 major cities across the nation to fourth place.

One factor may be the increasing trend toward seven-day-a-week, 24-hours-a-day grocery stores. Unless the laws of economics have been repealed, staying open longer means higher overhead and other operating costs—and eventually these increased costs of doing business must be passed along to consumers. But the trend to around-the-clock operations never has been confined to Utah grocers but has been under way in many other parts of the country for a year or more.

At first glance, it may seem strange that Salt Lake City has the fourth highest price for sugar even though sugar refining is an important Utah industry. But don't read too much into that fact because sugar is produced in some 30 states besides Utah—and prices are high in some of those places, too.

The increase in Salt Lake City's ranking in the market basket survey may reflect not so much an increase in local food prices as a decline in certain food prices elsewhere. On the East Coast there is said to have been a significant decline in some prices since A&P, the nation's largest grocery chain, abandoned food stamps and cut prices so sharply the firm lost more than $50 million the past year. But even this seems like only a partial explanation for what's happened in Salt Lake City.

Whatever the causes may be, the best hope of preventing sharp increases in food costs in the future—beyond increasing farm supplies and abandoning federal controls that create artificial shortages—lies in productivity improvement in the food marketing system.

For instance, many supermarkets are said to use larger loading pallets than those used by wholesalers. As a result, when food products are moved from one place to another, they often must be unloaded and reloaded by hand. Standardizing pallets could be a great saver of labor costs.

More chain stores could cut all of their meat at a central location, eliminating the added expenses involved in meat-cutting at individual stores.

Moreover, the Uniform Grocery Product Code Council, a group of food processing and retailing stores, is pushing a plan which could eliminate the checker in supermarkets of the future. The plan features the stamping of a symbol on every product, which would enable an optical scanner to record the price automatically and add up the shopper's total food bill.

Consumers may never again see food prices as low as they were before politicians started tinkering with the economy. But with increased supplies of many farm products on the way, prices ought to go down somewhat. And when you're only No. 4 as Salt Lake City seems to be, you ought to try harder—to become No. 5 or get an even lower ranking in the market basket ratings.

POLITICAL AND ECONOMIC IMPLICATIONS OF MULTINATIONAL CORPORATIONS

Mr. ROTH. Mr. President, one of the most hotly debated issues in recent months has been the political and economic implications of multinational corporations. Recently, the United Nations established a panel to study multinationals, and Congress also must devote greater attention to the issues raised by their growth. I am delighted that the chairman of the U.N. panel is my good friend, Mr. L. K. Jha, the former Ambassador of India to the United States. Among those who testified before Mr. Jha at the recent public hearings in New York was the very articulate vice chairman of the board of the E. I. du Pont de Nemours & Co., of Wilmington, Del., Mr. Irving S. Shapiro.

I believe that the testimony and recommendations of Mr. Shapiro should be of great interest to my colleagues as the viewpoint of one business leader. I ask unanimous consent that Mr. Shapiro's testimony be printed in the RECORD.

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

REMARKS OF IRVING S. SHAPIRO

SEPTEMBER 11, 1973.

To most practicing businessmen, this hall is an unaccustomed environment. But so too, I admit, is the glare of the spotlight that has been focused the past few years on the multinational corporation. Subjects rooted in economics seldom command the attention given to political affairs. But the multinational enterprise must certainly be one of the 20 most talked-about worldwide subjects of the day. It has been inspected, analyzed and debated in millions of words. Some make sense. Others are nonsense. The time has come to bring order and perspective to a chaotic body of thought and, regardless of the outcome of this group's work, it will be useful if it contributes to that end.

The examination that you are now undertaking, if done in a thorough and objective manner—as we know it will be—will allay the concern of some that corporations with worldwide interests are becoming laws unto themselves, answerable to no sovereign authority.

All multinational companies are not alike. Since I plan to speak today as a representative of one company, you can perhaps understand me better if I describe it briefly.

E. I. du Pont de Nemours and Company ranks 23rd in total sales among the manufacturing multinationals listed in the Report before you. Its sales volume this year will be something over $5 billion, of which about 20 per cent will be outside the United States. It is headquartered in the U.S., but of its 200 manufacturing and processing facilities, 94 are in 26 countries outside the United States. Worldwide employment is over 126,000, a fifth outside the U.S. Total investment of Du Pont and its subsidiaries and affiliates is $8.5 billion, of which $1.6 billion is outside the U.S.

Du Pont business activities outside the United States include manufacturing, processing, marketing, importing, exporting, licensing and fundamental and applied research. They are carried out through the parent company and overseas companies in which parent company ownership ranges from less than 25 per cent to 100 per cent.

Du Pont's business is chemicals and we make about 1600 product lines. We are basically suppliers of ingredients to many different industries, and for the most part we are not integrated backwards into raw materials or forward into the consumer market. Our products have a high technological content, and our business is oriented toward extremely high-volume production. The nature of the chemical industry makes our operations capital-intensive; plant construction and modernization have cost more than 11 per cent of net sales volume for the past five years.

Probably the most notable attribute of our operations is the intensity and scope of our research and development, which not only yields new and improved products, but also increases the efficiency and lowers the cost of our processes.

Now, as to the substance of the Report about which you have asked our views.

It occurs to me that its utility as a working paper might have been enhanced had there been more detailed discussion of the constructive role of the multinational corporations as an effective economic instrument and perhaps some informed speculation as to what the state of the world economy might be today if multinationals had been stifled at an early stage of gestation. I trust that this omission will be corrected in your deliberations.

The Report has many merits. I must add, however, that we are somewhat distressed by its adversarial tone—its implicit conviction that the goals of multinational corporations and the goals of people and national entities are fundamentally in disagreement and perhaps irreconcilable. Although we readily agree that there are tensions in this system, as there are in any system, we contend that the overall economic process has a broad and all-inclusive goal—the effective use of the world's resources in behalf of all. That goal is shared by producers, consumers, and nations alike, regardless of the short-term incentives by which each may be motivated. Viewed in this light, points of controversy can often be more easily and equitably resolved.

The collective and individual size of multinational corporations, which the Report emphasizes, should be no surprise to those who understand the practicalities of modern business. In numerous industries, including our own, the cost and availability of many goods are highly sensitive to the economies of scale, which require enormous aggregations of capital.

In our case, for example, a manufacturing plant for one of the fibers we make with a 5 million pounds a year capacity would cost about $2.00 per pound of capacity to build and its operation would be high-cost and inefficient. A plant for the same product 20 times as large costs only $.70 per pound of capacity and operates with low cost and high efficiency. There's a significance to that difference that goes beyond our balance sheet. Only the well-to-do can afford the output of the small plant. It wastes resources, and that waste is paid for by the consumer and, more broadly, by society at large. That larger plant, with its low-price product, incidentally, would cost as much as $70 million and would require an ingredients plant costing another $75 million. And it would make only a dent in the 53 billion-pound-a-year worldwide demand for fibers. Only a large organization can assemble that $145 million and create the technology and the know-how that make it work. The example is repeated in our other product lines; an efficient plastics resin manufacturing plant costs about $100 million, one for synthetic dyes comes in at $60 million. And the same principle applies to other industries like automobiles, primary metals, and petroleum. In enterprises like ours, size is dictated by the nature of the business, not by the reach of its owners.

Some thoughtful people have philosophical difficulties with large aggregations of productive resources, but I submit that they are essential in the producer mix if the level of goods and services available to all the 4 billion people in this world is to be raised perceptibly.

In our case, the considerations of size also affect the location of our operations. The Report points out that only one-third of

multinational corporation foreign investment is in developing countries; our own ratio is lower than that. Since we are not in the extractive industries and since we sell to large-volume industrial consumers, it is the size and character of the potential market that determine where we go. We expand into developing countries when there is a fit between their needs and our capabilities. Brazil's economy has, for example, recently matured to the point that it requires basic chemicals in substantial volume, and we are expanding our production there in wholly-owned and joint ventures with both the government and local enterprise. To have done so earlier would have been unproductive both for Brazil and for us.

Technology transfer is an aspect of the multinational debate in which we have a special interest as a high-technology company. The value of technology seems to be generally accepted, as is the unique role of the multinational corporation in both developing it and making it available in one way or another. What is sometimes forgotten is that technology is a capital asset, bought and paid for, just as a manufacturing plant is. Du Pont spends over a quarter of a billion dollars a year on research and development. Forty-five hundred people in U.S. and overseas laboratories that cost $363 million are engaged in it and they do it very well. But the risks are exteremly high. Only one out of twenty projects ever results in a commercial development. That's just the kind of business it is. But the effort is enormously expensive and our costs must be recovered in the products we sell, both at home and abroad. If we negotiate hard about the value of technology in our dealings with government and others, it is because we understand very well what it costs and what it's worth.

Royalty and licensing income is small, however, in comparison with our rsearch and development costs. Over the past ten years, it has amounted to $254 million, one-tenth of the $2 billion, 430 million expenditures on technological development over the same period.

The worldwide patent system is sometimes criticized because it grants the investing organization the exclusive use of its inventions for a period of time. From our viewpoint, it is precisely the proprietary rights granted by the patent system that make research and development worth doing. There is little practical incentive to incur the costs of invention, if its commercial fruits are to go to competitors. Any substantial relaxation of the patent institution would tend to stifle the creation of new and needed technology.

Although we prefer to utilize our technology in our own plants, we are open to making it available by other means including licensing, joint ventures, sales, and other appropriate methods. We have frequently done this in the past and expect to do so in the future.

Reference is frequently made in the report to the political and social pressures exerted on and by the international economic system. Not much popular attention is paid, however, to the controlling influence of competition, which is often brushed off by the report with references to oligopoly. You gentlemen would be proceeding under an erroneous assumption if you should conclude that multinational corporations work their own wills, without a restraining force in the marketplace. Our experience is exactly to the contrary. For example, nylon is an important element of our business. We invented it and have about a billion and a half dollars invested in it. There are now more than 100 producers worldwide and they compete head-to-head with us wherever we go. Prices have declined by almost 50 per cent in 15 years despite inflation, and our share of the market has dropped substantially. We don't dictate what happens in the nylon market; nobody does, except the customer, who puts a value on the product according to his own self-interest. We are the largest fiber producer in the world, but in Western Europe, despite a $400 million investment, we supply less than 4 per cent of synthetic fibers sold there. The same pattern holds for most of our product lines and in most markets where we operate. Competition applies to the licensing of technology as well. The last time we negotiated to sell one of our manufacturing processes, we were one of six companies bidding aggressively for the business. Competition is based not only on price, but also on quality and all the terms and conditions of sale. Whether our competitors are multinational companies or local producers, they impose a discipline upon us that is as strict as any enforced by governments. The marketplace has harsh rules and regulates effectively in behalf of the customer.

Discussions of the impacts and tensions, real or potential, that are attributed to multinational corporations in international relations illuminate the fact that the most consequential decisions about multinational corporations are, and properly should be, made by the nation-states. The largest of the important issues involve relationships between nations and the consequences of diverse national policies. Cross-border transactions would be no problem, nor would trade and monetary matters, if national policies were harmonized.

Extraterritoriality and home-host country relationships are matters for agreement among governments. Business organizations are essentially bystanders in matters of this magnitude. They are nonsovereign and not laws unto themselves, despite implications in the report to the contrary. They are subject to the control of nation-states. Despite isolated examples, their power to unduly influence governments is largely theoretical. Neither Du Pont nor its subsidiaries has ever subverted, or even significantly influenced, national policy. On the other hand, even in the case of smaller nations, governmental power to control is enormous, ranging from the subtleties of taxation to expropriation.

We believe that everyone would benefit if there were reasonable uniformity and stability in the laws and rules affecting business, both national and multinational, in such matters as taxation, incentives, business practices and environmental protection. Not absolute uniformity, since the situation of a developing country in Africa or Latin America is different than that of an industrialized country in Europe. And not absolute stability since needs and conditions change.

Before I turn to the recommendations of the staff report, I'd like to take a look at one of the fundamentals before us. Politically the world is fragmented; it always has been and, short of a miracle, it always will be. I accept that as a fact of life, but I am a devoted and optimistic advocate of what I call one-world economics. There are no geographical boundaries to the material needs of people and no justification in morals or ethics for some nations to be haves and others to be have-nots. Our economic system, like our politics, sprang from national origins, and when its capability was limited, its incentives were linked to national well-being. But there has been a change. Now, thanks mainly to technology and industrialization and to developments in communication and transportation, production capacity with its supporting structure has matured to the point that it can look beyond national boundaries to the task of meeting needs on a worldwide scale.

One-world economics envisions worldwide needs as a worldwide market and the worldwide business structure as a resource for meeting its needs. It is an escalation of national economic systems and attitudes to a global scale. It is an extension and refinement of the European community idea in which nations and business alike are making the accommodations necessary to maximize the benefits of resources, technology and industrialization for all.

The demands of the worldwide market, as we see it, are by no means uniform; not everybody wants television sets and some people prefer cotton to nylon. The mechanism for supplying the demands is not uniform, either; it includes multinationals, of course, but as based on thousands of national companies and state enterprises of varying size and function. In one-world economics, the objective is to fill whatever material needs exist wherever they are and, as in any good business deal, there are benefits for both sides. Business can make a fair profit to satisfy its objectives while helping nations and people improve their well-being to satisfy theirs. Unlike one-world politics, one-world economics is within reach. The productive system is proven out, and much of it is in place. What remains is to harness it effectively to the worldwide task.

Some of the staff recommendations speak directly to that objective.

A common code of behavior for multinational—and, for that matter, national—business would be a logical and constructive step so long as it were accompanied by parallel standards for other parties to the arrangements—government and labor.

The International Chamber of Commerce guidelines, with their references to respect for national policies and objectives, among other subjects, may be a good starting point. However compiled, such codes should establish reasonable criteria and should reflect a balance between all the interests involved, not only as a matter of equity but also to make the system work. Codes dreamed up in a vacuum are meaningless and these should be hammered out by the participants, with business as well as others having a hand in their framing.

The existence of codes automatically leads to thoughts of a mechanism for overseeing their implementation. The record of international regulatory mechanisms is uneven at best and massive problems would be encountered in constructing another one. But one-world economics will require us to break new ground. GATT comes to mind as a device that has worked rather well, despite some shortcomings. It has the desirable elements of predictable rules, reciprocity, long-term flexibility, and adjudication. The time may not be right for a full-fledged GATT for investment, but serious exploration of the possibility may lead to an evolutionary development that would be acceptable to all concerned. We would like to participate in the study.

On the other hand, we are opposed to the concept of supranational corporations. Even in a one-world economy, citizens will be subject to national law and we don't think that any corporate entity ought to have a special status.

A number of the Report's recommendations deal with the purposeful collection and dissemination of data and the provision of a forum for debate. For our part, we already furnish mountains of statistics to home and host governments, and I suspect that much of what is wanted is already in existence. On the surface, data-gathering and debating seem sound enough proposals, yet there are hazards in their execution. Data are subject to interpretation and even distortion, especially when there is an avowed purpose "to influence public opinion." Safeguards against one-sided and adversarial use of information are of critical importance.

The staff's proposal for greater harmonization of national policies, particularly in the areas of taxation and incentives, makes un-

commonly good sense. Such measures would not unduly impair national sovereignties and they would deal with the root cause of some of the perceived potential problems.

They would be an integral part of the home, host-country and regional programs, which are also covered by the recommendations. These programs are crucial to the issues under discussion, more important in the near-term than any likely international actions. The producer side of one-world economics is ready; the rules have to be written in national capitals, hopefully with international consultation and in harmony with each other.

The regional programs seem to us to be a promising avenue to accelerated progress in economic development, so long as their objective is really to seize the opportunities that are available. We would welcome the chance to look at regions, with their larger markets, to see if there is a fit between their needs and our capabilities. The European Economic Community is obviously not a model that can be literally followed by everyone else, but it works and it could be a guide for other nations.

The recommendation that an international organization supply additional technical expertise and training to developing countries is a beneficial one, in cases where those functions are needed and wanted. Everyone is better off when the role of technology and the industrialization process are thoroughly understood and when development goals are well defined. If outside technical assistance is needed to achieve those ends, we are all for it. As a practical observation, incidentally, the people in developing countries who have sat across the tables from us have been technically informed and hard bargainers.

In this connection, there is a real need for a better flow of information between nations and business on the working level. Business ought to have a better knowledge of what nations need and they, in turn, need a better understanding of what multinationals can bring under what set of conditions.

I think the United Nations could help bring that exchange about. In Du Pont we have a device called the development conference in which we sit down with high-level members of customer companies and explore in detail what they need and what we can provide. Eyeball-to-eyeball contact of principals provides a clear and realistic evaluation of our value to each other and business of mutual benefit results.

We think that this device would work on a larger scale. Suppose that four or five high-level business representatives were to sit down with top national leaders of developing countries—one country at a time or perhaps more—accompanied by whatever technical experts seemed appropriate and exchanged information about national objectives, the investment climate, wage policy, social development, tax problems, the need for reasonable profits, technology transfer and similar subjects. The objective would not be to discuss specific projects—that would come later—but to facilitate a rational matching of needs and capabilities, which is one objective in my view of one-world economics. The United Nations could be the force behind such meetings, and Du Pont, for one, would be more than willing to enter into them. We believe that they would produce positive results, both long- and short-term.

On a closing note, one-world economics is based on our side on the profit motive, a fact about which we we are neither defensive or apologetic. The profit sytsem is a stern and creative mechanism for the allocation and maximization of resources and despite its imperfections, it has worked well for most of the world. We do take, however, a long view of profits and recognize that they can continue only if we merit in the broadest sense the continuing favor of customers, employees, home country and host-countries and others. Corporate responsibility is a business imperative as well as a moral obligation.

We are convinced that international business is here to stay, and that it, together with national business everywhere, can work in the service of mankind. One-world economics is on the way and nations and businesses alike should work to make it happen.

RHODESIA

Mr. McGEE. Mr. President, in the RECORD of September 27, I noted the distinguished senior Senator from Virginia (Mr. HARRY F. BYRD, JR.) voiced several objections to the upcoming vote on legislation placing this Nation back in compliance with U.N. sanctions against southern Rhodesia.

Therefore, I would like to take this opportunity to respond to my colleague's observations and point out that I, too, share many of these concerns.

However, I do disagree with his observation that there has never been a vote in the Congress to impose sanctions against Rhodesia and that the sanctions were unilaterally imposed by the President of the United States. I responded to this concern on June 22, 1973—page 20878 in the RECORD—when I pointed out the constitutional basis for President Johnson's action is to be found in the United Nations Participation Act of 1945, which was passed overwhelmingly by the Congress of the United States by a vote of 89–2. There can be no question that congressional approval of both the United Nations Charter and the United Nations Participation Act clearly gives the President of the United States the authority to make a judgment on a mandatory Security Council resolution. If such actions are not in the best interests of our Nation, then the United States has the veto power in the Security Council to block any resolutions it so desires.

In my June 22 statement, I also noted that I had taken an oath to uphold and defend the Constitution and laws of the United States. Nowhere in that oath am I sworn to uphold and defend all laws except the United Nations Participation Act of 1945.

I would also point out that I am a firm advocate of proceeding through legal channels if we find existing law detrimental to our interests as a nation. In this regard, I would point out that the United Nations has a provision whereby those nations can be granted exceptions to the Security Council Resolution imposing economic sanctions against Rhodesia, if it can be shown that compliance with the resolution would work a hardship on that nation. Yet, none of the special interests who would have us unilaterally violate U.N. sanctions against Rhodesia have ever petitioned our Government to proceed through legal channels in order to seek an exception due to economic hardships. I am concerned with the apparent double standard that we set for the citizens of this Nation. We all claim to respect the law, but it is apparent there are special interests in our Nation who feel the law does not apply to them.

In this connection, I would point out this Nation stands in violation of another law with our continued violation of sanctions against southern Rhodesia. I am referring to section 307 of the Tariff Act of 1930 which prohibits this Nation from importing goods produced in Rhodesia by workers who are forced to comply with a Master and Servant Act, which imposes criminal conviction for any violations.

In response to my distinguished colleague's call for a full-scale Senate debate on the United Nations, I could not agree with him more. In fact, it is apparent that he endorses the report to the Senate Foreign Relations Committee submitted by the distinguished Senior Senator from Kansas (Mr. PEARSON) and me on our service as delegates to the 27th United Nations General Assembly last fall. In that report we note that it would be worthwhile for both Congress and the executive branch to engage in a comprehensive analysis and discussion of the Lodge Commission Report in an effort to begin implementing innovative approaches to our involvement in the U.N. We urge the Congress to do so and we urge the appropriate committees of both the Senate and the House to begin this in-depth study.

My point is that we pursue the normal congressional channels in assessing the United Nations and determining what efforts we can exert to making our participation in particular, and the operations of the U.N. in general, more effective.

Since the issue of our violation of sanctions against southern Rhodesia is not concerned with the merits of the United Nations, I would urge that my colleagues proceed with the vote on the basis of S. 1868, and on this basis alone. I recall that efforts over the past 2 years have been directed at resolving this issue by a straight up and down vote. I did not fear the results of those legislative initiatives then, nor do I fear the results of our upcoming effort. I am a strong advocate of allowing all members of this body to determine the merits of legislation and exercising their right to do so. I do not fear the will of the Congress as I believe in the Congress of the United States and our constitutional heritage. To attempt to forestall the exercise of this right on the part of every individual in this body shows an unwillingness to allow each individual to exercise his own judgment and will.

In conclusion, I would like to comment briefly on the argument that Rhodesia's unilateral declaration of independence from Great Britain can be compared to our experience of 200 years ago. I have long taken pride in our concepts of democracy and our historical support for the principle of majority rule. I strongly oppose the rule of a minority at the expense of the majority whether it be authoritarian rule emanating from philosophies on the right or on the left. I would hope that we are not being asked to discard another of our historical beliefs or that we are once again being called upon to demonstrate to the world that our rhetoric and ideals certainly are not matched by our actions.

NATIONAL TOURISM RESOURCES REVIEW COMMISSION

Mr. JAVITS. Mr. President, on July 25, 1973, the National Tourism Resources Review Commission submitted its report, "Destination U.S.A.," to the President and the Congress.

This excellent report discusses in detail the travel needs and resources of the United States, and addresses the many problems that confront world tourism. I commend the report to all of my colleagues. For that reason I ask unanimous consent that the recommendations of the Commission be printed in the RECORD, so that each of us may have an opportunity to review and study the results of this important study.

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

RECOMMENDATIONS OF THE COMMISSION

In some ways the National Tourism Resources Review Commission feels like an explorer who has stumbled upon a new continent.

Tourism is a vast economic and social phenomenon that has largely been ignored by Americans, even though most participate in it and an impressive number benefit from it.

A great part of the Commission's work was prosaic—defining, measuring, analyzing. These tasks were made difficult by the lamentable state of the tourism data resource.

A few broad conclusions were reached, even though they cannot be stated with ultimate precision. Tourism in the United States is a huge enterprise. In 1970 tourism spending totaled $50 billion. Commission projections indicate spending at a rate of $127 billion by 1980. Simple arithmetic yields tourism expenditures and investments approaching a trillion dollars for the decade. (See page 97, The Economic Impact of Tourism.)

The Commission's analysis determined that tourism spending more than doubled between 1960 and 1970 and may more than double again between 1970 and 1980. A large portion of the private U.S. work force—3.8 percent or 2,300,000 people—were employed by tourism related enterprises in 1970. That number could increase 60 percent by 1980. In 1967 Americans took 361.2 million trips. If more recent data were available, it would show a much higher total.

Three factors contribute to the startling size of tourism and its extraordinary growth.

First, income per household has been increasing, placing more and more households in higher income brackets. Since tourism is a discretionary activity, it is highly sensitive to household income increases that permit a smaller proportion to be budgeted for necessities and a consequently larger "surplus" to be spent on pleasant but not essential activities such as tourism.

Second, growth in population represents a continual upward pressure on spending totals.

Third, an increase in leisure coupled with more convenient, less costly transportation and a generally higher level of education lead more people to more travel. Becoming a tourist is no longer difficult.

Many of these factors pertain worldwide. Travel expenditures among all countries were $20 billion in 1971, an increase of 11 percent over the previous year, and a preliminary estimate for 1972 is $25 billion. International tourism, is the largest single factor in world trade. In all, 198 million visits to major tourism countries were made in 1972.

Establishing the dimension and rate of growth of tourism leads logically to concern about the tourism resource. The tremendous amount of activity must be serviced. Partly that means investment by the private sector in accommodations and transportation services and in incidentals that are difficult to isolate but impressive in the aggregate. Partly it means demand for publicly provided facilities—highways, parks, recreation areas and airports.

NEGATIVE EFFECTS

Private resources tend to thrive as use increases. Higher hotel-motel occupancy means more revenue. More passengers mean higher airline load factors. The public resource does not benefit similarly. A national park is harmed by overuse. A heavily used highway becomes crowded. A congested airport means delay for passengers and, if congestion becomes too severe, actual danger as aircraft compete for landing and approach space.

More than anything else the Commission was impressed by the broad economic and social activities represented by tourism and the obligation to mobilize them with effective federal leadership. As this report shows, sound tourism planning will have an effect in areas where national goals are at stake: community development, environmental quality and the balance of payments, to name three important examples. The real result of expanded tourism and recreation facilities, the Commission concluded, will be improvement of the quality of life in America.

As it prepared its report, Destination USA, the Commission mulled the problems of macrotourism while trying not to lose sight of microtourism. For all its size and complexity tourism comes down to a single experience for an individual tourist. The report deals with the quality of that individual experience. Does it cost too much? Does it need to be protected? Should it be enhanced and how?

Much of the report evaluates the federal role. The Commission's major conclusion was that this role needs to be made more effective. Extensive governmental involvement in tourism already exists, particularly at the federal level. As the report establishes, however, this involvement is fragmented and inefficient and has internal contradictions. There are about 100 tourism related programs in more than 50 federal agencies. The major Commission recommendation is that a National Tourism Administration be established. Such a step does not imply creation of a new agency that would add another layer of bureaucracy to a cumbersome structure, but rather a consolidation of present federal involvement. Under a single tourism agency programs would be coordinated, and some—in cases of duplication—would be eliminated.

The National Tourism Administration would become responsible for a single federal policy that would specifically address tourism problems in the national interest and in the interest of both the tourism industry and the consumer.

Americans have a high propensity to travel to other countries. While many foreigners visit the United States, their spending here does not come close to balancing what Americans spend abroad. The result is a travel deficit that makes up a significant part of the overall balance of payments deficit. This deficit puts a severe strain on the stability of the dollar in the international economy.

The United States Travel Service (USTS) in the Department of Commerce is responsible for promoting the United States as a destination for foreign tourists. Each dollar spent here by a foreigner decreases the balance of payments deficit. Thus USTS programs could be significant factors in helping to preserve the value of the dollar.

A purpose of the Commission's major recommendations—the need for a national tourism policy and the creation of an organization to carry out that policy—is to preserve USTS programs by recognizing them as important parts of larger objectives. The Commission believes USTS will be more effective as part of an enlarged tourism agency.

The policy and organization recommendations are listed below along with other major ones that resulted from the Commission's study. They appear again in this volume—as do subsidiary recommendations—where the research and conclusions that led to them are summarized.

The Commission recommends that Congress establish and the President carry out a national tourism policy. Objectives of the policy should be: adequate facilities for future needs; assurance of the high quality of a tourist's experience; cooperation with private industry; reduction of the balance of payments deficit; optimum utilization of public lands consistent with environmental protection; assistance to states; dispersal of tourism activity to relieve congestion and aid to economically depressed areas.

To implement this policy the Commission recommends that a National Tourism Administration be established. The administration should consist of four bureaus:

A Bureau of Tourism Research and Planning to determine future tourism needs and prepare plans that ensure adequate development of resources and to coordinate these plans with other agencies and private industry.

A Bureau of Tourism Information and Promotion to respond to the international travel deficit, a major issue, and, through expanded, aggressive promotion abroad, increase foreign travel to and within this country and encourage Americans to know their country better.

A Bureau of Tourism Facilities to be responsible for development and management of tourist facilities on public land, in cooperation with private industry.

A Bureau of Regional Tourism Development to assist states in developing tourist facilities and to move tourism activity away from areas of congestion to areas of need.

The Commission recommends that the National Tourism Administration be located in the Department of Commerce and that its administrator be given the rank of Undersecretary.

The Commission recommends that the Bureau of the Census be authorized and adequately funded to conduct an annual tourism survey.

The Commission recommends that the National Tourism Administration begin research as soon as practical to develop accepted standards for tourism measurement and to recommend methods for conducting tourism surveys. These definitions and methods would be proposed to regions, states, localities, private industry and others who may survey aspects of tourism so that, as far as possible, all tourism data and research in America will have a common base and be compatible with mutually acceptable international standards.

The Commission recommends that the private tourism industry continue to work closely with the federal government in the promotion of tourism in America. In the course of this cooperative effort special attention should be given to selective development, a finely tuned effort to attract tourists to less used rather than overused areas of the country.

The private sector should also continue to collect and study valuable tourism research. This effort should be coordinated closely with the National Tourism Administration.

The Commission recommends that the National Tourism Administration pay close attention to the particular needs of small tourism enterprises.

The Commission recommends that as feasibility studies are made for federal and other projects such as resort areas and parks, par-

ticular attention be given to their potential for providing small business opportunities.

The Commission recommends that the National Tourism Administration take urban tourism needs into account in three specific ways:

Gear its data collection and research output as precisely as possible to the special needs of cities.

Give specific assistance to cities in tourism planning. That assistance might include a model urban tourism plan communicated to interested cities through the auspices of an existing urban organization such as the U.S. League of Cities/Conference of Mayors.

As concepts of regional tourism planning are developed, design such plans around major cities in the region.

The Commission recommends that the National Tourism Administration encourage state and local governments in sound land use planning. There are many useful precedents in existence. What is needed is not only uniformity of legislation but also determination to protect and, where necessary, salvage land that is America's primary tourism resource.

The Commission recommends that the National Tourism Administration undertake, as a first priority, a thorough study of the impact of tourism on the environment.

As the recommendation to establish a National Tourism Administration would require legislative action, the Commission takes note of the requirement under the National Environmental Policy Act of 1969 (PL 91–190, January 1, 1970) that such legislation would have to include an environmental impact statement.

The Commission recommends that to better serve the tourist the National Park Service emphasize preservation of areas of natural beauty and ecological significance. The use of natural areas of the park system for recreation purposes harmful to the environment should be ruled out.

The Commission urges that the Park Service and the National Tourism Administration work together to minimize the intrusion of man-made facilities in the natural areas. Future facilities should be located at park perimeters or just outside the parks where possible.

Transportation facilities (roads, trails, etc.) inside the parks should be designed and constructed to intrude as little as possible on natural surroundings, and development of internal transportation systems should be speeded up to reduce congestion and eliminate pollution.

The Commission encourages partnership with private operators in the development of tourist facilities in and around national parks, with firmly defined standards of quality related to the nature, needs and planned use of each park.

The Commission recommends that the National Tourism Administration work closely and continually with the Department of Transportation and with the regulatory agencies as it develops a national tourism policy, providing them with data on tourism transportation needs.

A nationally accepted rating system of accommodation and facilities is desirable. Establishing such a system depends largely on the diligence, integrity and credibility of the rating body, which should evolve in the private sector.

The National Tourism Administration should coordinate distribution of tourist information produced or paid for by the federal government, and it should promote the widespread availability of such information in foreign languages.

The National Tourism Administration should, when requested, assist state efforts to improve information facilities.

The Commission recommends that the National Tourism Administration give particular emphasis to promotion programs developed by the United States Travel Service and that USTS programs be authorized and fully funded at a $30 million level by Congress. The Commission further recommends that until such time as the National Tourism Administration is created, the $30 million level would apply.

The National Tourism Administration should concern itself immediately and directly with the state of international travel data. Standards must be established and measuring processes reviewed to close gaps in counting procedures.

The Commission recommends a national policy, defined by Congressional resolution and stated by Presidential proclamation, that the United States make every reasonable effort to welcome foreign visitors and to facilitate their entry. The policy would provide a uniform guide to all federal agencies which deal with the entry of foreign visitors.

The Commission recommends that action be taken to assure accurate reporting of the number of visitors from Canada and Mexico who remain in the United States more than 24 hours. The present system counts only those visitors from Mexico who remain more than 72 hours.

The Commission recommends that the United States join and participate actively in the World Tourism Organization.

The Commission recommends that the National Tourism Administration assist and support states and regions in programs to promote foreign visits to this country.

The Commission recommends that the matter of facilitating entry into this country by foreign visitors be reorganized to cut down the delays and individual inconvenience that now contribute to a negative image of this country and intensify airport congestion.

The Commission especially recommends that preclearance, a useful device, should be continued and expanded, not ended or curtailed, and that passengers not precleared should be helped to enter this country with an absolute minimum of formality and delay.

The Commission recommends reciprocal relaxation of visa requirements.

The Commission recommends that in international economic negotiations the United States government should strive to secure national, reciprocal and most favored nation treatment of tourism, travel and international transportation services.

The Commission recommends that Congress extend the definition of qualified income under DISC (Domestic International Sales Corporation) to include income from sales of tourist and travel services abroad.

The Commission recommends that the cost of travel to and within this country by foreigners be reduced to the greatest extent that sound economics will allow.

The Commission recommends that a goal of the National Tourism Administration should be to reduce language barriers within this country as much as possible.

The Commission recommends that the National Tourism Administration seek to identify the economic impact of foreign visitor spending on the domestic tourism industry. Once that impact is understood the businesses involved could appreciate better the need to shape their services to meet foreign tourist needs and to encourage hospitality among their service personnel.

The Commission recommends that the National Tourism Administration should be authorized to speak and act for tourists as consumers.

ALL OF OUR CHILDREN CAN LEARN TO READ

Mr. PELL. Mr. President, a recent guest editorial in Parents magazine, by the Honorable EDWARD M. KENNEDY, discusses in most telling terms just how we can insure that all of our children can learn to read. I commend Senator KENNEDY for this editorial. It is most timely, for the Subcommittee on Education of the Senate Committee on Labor and Public Welfare has currently been discussing the issue of "right to read" during our hearings on elementary and secondary education.

I ask unanimous consent that this editorial to be printed in the RECORD.

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

WHAT PARENTS CAN DO TO GUARANTEE EVERY CHILD'S RIGHT TO READ

(By EDWARD M. KENNEDY)

Three hundred and twenty-five years ago, the Colony of Massachusetts mandated the establishment of the first public schools in this country and ordered those schools "to teach such children as shall report . . . to write and read. . . ."

Yet today, our educational system has so badly failed us that more than eighteen million American adults cannot read a newspaper.

The cost of this failure is not solely personal. It is tallied on the nation's welfare rolls, prison logs, and unemployment files. Studies reveal that more than half of the welfare recipients in Chicago cannot read. In New Jersey, more than half of the prison inmates cannot read. In our largest cities, more than half of the young people under twenty-one who are unemployed cannot read.

Every taxpayer pays for our failure to teach children to read and write well enough to function as adults in our society. Yet the treadmill continues to send illiterates out of the schoolhouse door. One quarter of the children attending school today have serious reading disabilities, according to the late Dr. James E. Allen, former U.S. Commissioner of Education.

Why haven't we acted to bring relief to the children now in schools and to the adults who still can learn and who still can be given hope for a better future?

The problem is that educators have been unsure of what could be done to change the situation. Most teachers have never been taught how to teach reading. In sixteen states, there is no requirement that a would-be elementary teacher spend even an hour in a course on how to teach reading. Another eighteen states require only a single course to qualify teachers to teach reading.

As a people, as a government, and as a nation, we have failed to make the right to read a part of our heritage. Our federal government was first unwilling to recognize the problem, then unwilling to commit the resources necessary to remedy it. When finally President Nixon promised $200 million annually to provide better reading programs, his message to the Congress establishing the Right to Read was not followed by a request for adequate funding. Now, four years later, the budget requests total less than $30 million instead of the $200 million a year that is needed.

I cannot conceive of a program more important to the national interest than one to teach all our children to read. And I cannot conceive of a program that will pay back more to the Treasury in taxes and in lower welfare costs. Now is the time to rewrite national priorities and place the right to read at the highest rung of the ladder.

New legislation must be introduced in the 93rd Congress. The need is clear. The resources are available. What has been lacking is the political will. Beyond the expenditure of funds, other things have to be done both at the national and community level.

First, we must analyze what has worked

in pilot projects of the past, evaluate the reading abilities of students in each school across the country, and make an objective catalogue of what the capabilities to teach reading are in these schools.

Second, we must set about multiplying the successful projects in every school across the nation that needs them. But the program must respond to local needs, and it must be the local school teachers, parents, and principals who choose the program best for them.

Third, every local community institution—unions, chambers of commerce, city councils—must pull together to help survey the adult community to discover where the Right to Read can work best. Then those same local institutions must be brought together to help implement a plan to bring literacy packages into the plants, businesses, and civic institutions of our communities.

Finally, teacher-training colleges and universities must provide the most comprehensive instruction in the best ways to teach reading.

These are the major elements in legislation that has been submitted to the Senate. These are the major elements for breathing new life into the national commitment to reach national literacy by 1980. They are goals that I believe all parents in this country should support.

NAIROBI

Mr. BROCK. Mr. President, the International Monetary Fund meeting, currently underway in Nairobi, comes at a time when reform of world monetary agreements is desperately needed.

This fact makes it all the more disappointing that it now seems unlikely that the meeting will result in the sort of hard substantive decisions which are necessary if order is to be wrought from the current chaos in the world marketplace.

An agreement on a broad statement of principles is likely. But such agreements are of minor importance unless they are accompanied by collateral agreements on details. I fear that this sort of agreement will not be forthcoming from the current conference, and I regret that fact deeply.

An excellent study of the problems that lie in the way of real reform was outlined in an editorial in the Wall Street Journal on Thursday, September 20. As it explains much about the complexity of the issue, I would like to call it to the attention of this body, and ask unanimous consent that it be printed in the RECORD.

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

NAIROBI AS A NONEVENT

Finance ministers and central bankers last spring were telling their publics that the work of creating a new world monetary order would begin to jell at the annual meeting of the International Monetary Fund in the fall.

But now that the IMF meeting is at hand (it formally opens in Nairobi Sunday) there is a great deal less certainty about the jelling process. In fact, some U.S. Treasury officials are doubtful that any very useful consensus on a future monetary system will emerge from Nairobi.

That might at first sound like cause for public alarm, but in fact the opposite is true. The lack of a sense of urgency as the world's money men wend their way to the Kenyan plateau is bad only if you happen to be an IMF operative wondering what future role the agency will perform. For everyone else, it's pretty good, particularly compared with the frequent crisis meetings these same men were having before March of this year.

In other words, the current currency float, a non-system that came into being when nations finally gave up on trying to adhere to IMF currency exchange parities, is serving the world's needs reasonably well. After some worrisome times last spring when the dollar was moving downward relative to certain other key currencies, market forces brought about a reasonable stability. And central banks are no longer faced with the task—highly costly to their efforts at sound domestic money management—of trying to stop sudden flights from the dollar or other weak currencies.

Since last June, when the post-float exchange gyrations calmed down, the British pound has fallen to about where it was, relative to the dollar, in the late 1960s. The dollar has firmed against the German mark, proving that the mark couldn't really go up forever. The dollar has held its own with the Swiss franc and the Japanese yen and has slipped a bit relative to the French franc. What this means is that the float is working pretty much the way its proponents said it would after the initial adjustments were made.

Further, the market-induced exchange rate adjustments have seemingly had a desired effect on payments balances. The U.S. showed a small surplus in its current accounts balance in the second quarter, according to figures made public yesterday; it was the first surplus since the last quarter of 1969. Conversely, the Japanese, whose surpluses were a significant factor in the payments imbalances that were upsetting the IMF fixed exchange rates, have been running deficits recently and running down their large reserves of foreign currencies.

Finally, all signs are that world trade has continued to expand at a healthy rate during the float. The dangers supposedly associated with floating rates simply have not materialized. That is not to say they may not as the system is further tested, of course, but we simply cannot understand the haste to end the test when the initial results show nothing wrong.

Especially so since it is not at all clear the alternatives under consideration at Nairobi would not have dangers of their own. Critics worry, for example, about the proposal that IMF-created special drawing rights, or SDRs, replace the dollar as the "numeraire" for the money system and also replace foreign currencies and gold as the basic reserve asset. Would heavier reliance on SDRs, a sort of fiat currency, be managed in a way that would prevent world inflation? On this score there is little encouragement to be found in the further proposal that SDRs be dispensed to less developed nations as sort of a foreign aid gift.

The current world-wide inflation, indeed, ought to be the principal topic for the finance ministers and central bankers at Nairobi. Its origins lie in the irresponsible money creation policies of central banks, particularly dollar creation by the U.S. Federal Reserve. No system will really provide stability until this underlying problem is dealt with.

The float has a benefit here too, however, in that excessive creation of a currency is quickly reflected in a weakness of that currency in international markets. What is necessary is for government officials to come to an awareness that such weakness does not serve their long-term national interests. If such an awareness jells at Nairobi there will be even less cause to worry that nothing else did.

MAKES GENOCIDE AN INTERNATIONAL CRIME

Mr. PROXMIRE. Mr. President, the Genocide Treaty, signed in December 1948 by a U.N. Assembly vote of 55 to 0, seeks primarily to make genocide an international crime. Whether committed during peace or war, the treaty defines genocide to be certain acts which are punishable, regardless of who committed the act.

It is imperative that the U.S. Senate ratify this treaty. The importance lies not only in the substance of the treaty, but more important, in the commitment of the signatory nations to a common ideal of justice.

In February 1970, President Nixon urged the Senate to reconsider this convention and to grant its advice and consent to ratification. Such action, he said, "will demonstrate unequivocally our country's desire to participate in the building of international order based on law and justice."

Mr. President, I urge ratification of the Genocide Treaty.

TRADE TALKS MUST FOCUS ON SCARCITY ISSUES

Mr. HUMPHREY. Mr. President, amid the shortages which have occurred over this past year in basic food commodities we might forget the importance of securing international consultation in establishing principles to guide policies to control materials in short supply.

The issue may not seem so pressing as long as we are in the position of setting such policies for world trade ourselves, but what happens when certain countries restrict our access to oil or minerals using the precedents for imposing export controls which the United States has unilaterally established?

We must not disregard the possibility that such actions may someday return to haunt us.

It also would not be prudent to discount the balance-of-payments implications for export restrictions.

Unless we can establish firm markets abroad for American goods and regain a stable, positive balance-of-payments position we will continue to add to the surplus of dollars abroad and thereby the inflationary pressures at home. American agriculture represents the brightest spot in our entire trade picture.

Agriculture and agricultural exports could easily become America's biggest growth industry for the next decade.

Yet it is the markets for our farm products which have been jeopardized by the recent rash of export controls.

I am not suggesting that we can allow excess foreign demand for our products to create inconveniences here at home. But I do feel that policies relating to commodities in short supply can and should be worked out in a multilateral context.

We are now entering a new round of trade negotiations. The responsibilities to create a stable basis for the expansion of international trade over the next decade cannot be underestimated.

It is crucial the nations of the world reestablish and reaffirm principles to guide international trade, to replace the atmosphere of recrimination and unilateralism that has come to threaten the channels of international commerce.

There must also be immediate con-

sultation among the importing and exporting nations of the world to assess and determine actions that might have to be taken to provide equitable sharing of basic commodities in short supply.

The Washington Post of September 27 carries an editorial which talks about the importance of addressing the issues of access to the world's basic resources in the next round of trade negotiations. I think this editorial states these concerns quite well, and I ask unanimous consent that this article, "Oil, Grain and the Trade Talk," be printed in the RECORD for the attention of my colleagues.

The responsibilities for establishing sound principles for international trade have never been greater. Broadening the President's power to unilaterally determine international trade policies such as the control of commodities in short supply is not an adequate solution. These policies must be worked out on a multilateral basis to assure that when a country for any reason feels it necessary to impose export restrictions that it will be done on an equitable basis in accordance with international principles.

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

OIL, GRAIN, AND THE TRADE TALKS

The massive and ponderous process of world trade negotiation has now begun, to the accompaniment of loud public fanfare and quiet private doubts. The doubts arise from the basic aims of the negotiations, which are now to a significant degree obsolete. These trade talks were originally organized as a further attempt to reduce protectionism among the rich nations, and open up markets for the poor. But the world's economy has changed suddenly and profoundly over the past year or two. The central issue now is not so much the various countries' attempts to shut out each others' goods. To the contrary, the real and pressing danger is the savage competition for access to limited supplies of those imported goods crucial to every nation's life—above all, grain and oil.

The world has no rules for distributing scarce commodities. Or, more accurately, it rations them to the highest bidder by raising prices. Currently that means soaring commodity prices that are inciting spectacular inflation rates in the industrial countries, and are lifting these goods altogether beyond the reach of the poor. It is an efficient process, in a mechanical sense, but it is intolerably disruptive and cruel. The trade negotiators seem to be commencing a long solemn discussion of barriers to imports, at a moment when their governments at home are scrambling frantically to grab the imports that they need.

Nearly two years ago, at the time of the first American devaluation, the leading nations all agreed that they ought to work out orderly new rules for world trade and money. The long labor of reorganizing the monetary system is now getting under way at the International Monetary Fund's meeting in Nairobi. The parallel reform of the trading rules, after months of preparation, now has formally begun with a meeting of 103 nations in Tokyo. They published a formal declaration pledging themselves to seek "the expansion and ever-greater liberalization of world trade." That is an admirable objective, but it is not at the moment the most important one. Nor is it likely to be the most important one for some years to come.

The great symbol of the sudden reversal of the issues is the United States and its wretchedly battered trade policy. After years of drumming on the European Common Market to loosen its barriers to American farm products, last June we swung around without notice and embargoed the exports of soybeans on which those same Europeans were counting. Meanwhile, after 15 years of limiting our imports of foreign oil, in order to keep our domestic prices up, we are now desperately trying to buy enough fuel oil in Europe to get ourselves through the coming winter.

The most urgent business for trade negotiators these days are those two commodities, food and oil. In both cases, there will be no international agreement at all unless the United States takes the initiative. But the United States does not seem to have any very clear idea precisely what it wants to do with either of them.

Regarding oil, the importing nations need an agreement on dividing up the available supplies, whatever they may be. Granted, an agreement would be agonizingly difficult to work out. But month after month of snarling and squabbling among the oil-fueled nations would inflict catastrophic damage on the relationships that have, for a generation, guaranteed world stability.

The prospects for an international grain system are, if anything, even dimmer. Solutions exist. Last week a group of eminent economists from Japan, Europe and this country met here at the Brookings Institution and worked out a draft plan for an international grain reserve. It would be expensive and complicated. It would require a kind of international consultation and joint action reaching well beyond the rather rudimentary procedures of the present trade and monetary systems. The only thing to be said for it is the cost of the alternative, in recurrent inflation, panic and anger.

The trade meeting in Tokyo was a sign of progress. The negotiations are now under way. But they are like a big ship, difficult to turn under full steam. There is a risk that this huge enterprise, with 103 nations aboard, will keep sailing ahead, by sheer force of momentum, toward an obsolete purpose instead of turning to the work that most needs to be done.

TWO GOP FRESHMEN GO HOME TO FIND WATERGATE AT EBB

Mr. BROCK. Mr. President, last year I campaigned in behalf of a young man running for Congress in the Sixth District of Tennessee, ROBIN BEARD. As luck and a lot of hard work would have it, Mr. BEARD was successful in his bid, defeating a longtime incumbent, former Congressman William Anderson.

Since his election ROBIN BEARD has been repaying those who supported him last year by becoming the hardest working Congressman in memory. I am sure no Representative has ever spent more hours serving the Sixth District than he.

Several weeks ago, Mr. BEARD, along with his outstanding young colleague RON SARASIN, of Connecticut, was the subject of a front page article in the Washington Post. The article, authored by political analyst David Broder, followed both men during the August recess in their home districts.

Mr. Broder sought to identify the relative importance of the Watergate case and the general question of what issues seemed to be foremost in the minds of the voters. His conclusion: the Watergate is "at ebb," as reflected in the headline on the article, and the Congressmen in question stand to be judged more on their own performance than on the scandal facing the administration.

Mr. President, I believe Mr. Broder is correct. Anyone challenging Tennessee's ROBIN BEARD in next year's election is going to have a tiger by the tail. If my impressions of his service are accurate, ROBIN BEARD will be working for his State with diligence and dedication for a long time to come. I hope so, for his constituents and our Nation are well served by this outstanding young man.

I recommend the article to my colleagues and ask unanimous consent that it be printed in the RECORD.

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

TWO GOP FRESHMEN GO HOME TO FIND WATERGATE AT EBB

(By David S. Broder)

FRANKLIN, TENN.—The members of the Rotary Club had enjoyed their roast pork and beans at the Holiday Restaurant. They had heard their congressman, freshman Republican Robin Beard, tell them about his "exciting" new job in Washington, his assignment to the Armed Services Committee, his doubts about the voluntary army, his fear that "Phase IV will not work in any way, shape or form to reduce prices," and his own determination to cut government spending—even by casting "protest votes" against highway beautification, the Peace Corps and the Bicentennial Commission.

"Now," said Beard, "you'll want to know what I think about this Watergate situation. Sure, I'm concerned. The worst of it is that it damages what little credibility people felt toward their officials. Most of the elected officials in both parties are honest.

"But I think we have here a situation in which some people, through total naivete or stupidity or whatever, made some just unbelievable decisions. There were some bad mistakes made.

"But I'll tell you right now. I believe in standing behind the President. I believe in giving him the same rights we give the Ellsbergs and Angela Davises of this world.

"And I think when this case is all through the system will be stronger. This little cancerous growth will be removed. We'll survive."

As the members filed past Beard to shake his hand after the speech, one said: "Tell 'em to get off old Spiro, now."

Another: "Tell 'em it's time to close up that damned Watergate, Robin."

And a third: "Watch yourself up there, Robin, you don't get wet in that Watergate."

Twenty-four hours earlier, and almost 1,000 miles away, another group of Rotarians had gathered at Dominick's El Dorado in Danbury, Conn., to hear Rep. Ronald A. Sarasin, another freshman Republican.

Sarasin, too, announced that his new job was "the most exciting thing I've ever done in my life." Then, giving no formal speech, he asked the Rotarians what was on their minds.

The questions came. On revenue-sharing allotments, highway fund diversions to mass transit, the status of urban renewal, the prospects for pension reforms, the danger of a fuel-oil shortage and even the likelihood of conversion to the metric system.

Finally, with time running out, Sarasin brought up Watergate himself. "No one can be very proud of what the Watergate hearing shows. But we are learning a lesson from it—that our system of law works, and that no one is above the law, not those involved in Watergate and not those on the other side of the political spectrum who break

into draft boards or steal papers from the Pentagon," he said.

"I'm not crazy about these hearings. As a lawyer, I'd prefer to see these questions settled in court. But I'm glad the story's come out, it's become clear that this is not a Republican operation; that it was done by some of these clowns in the Re-election Committee and apparently the White House.

"I consider myself a professional politician and I'm proud of both words. And as a professional politician, I'm offended by what took place.

"But I want to say this to you. I'm not willing to condemn the President at this point. I think he's entitled to the presumption of innocence that everyone's entitled to. And nobody seems to give him that. We keep waiting for him to prove his innocence. Well, that burden isn't on anyone in this country. And it isn't on him."

Sarasin sat down to loud applause, and later told aides: "I think maybe Watergate has run its course. Just a couple weeks ago, you wouldn't have gone anywhere without getting a Watergate question. I brought it up myself today, because I don't want anyone to think I'm afraid to talk about it. Frankly, I don't think there's any reason to be."

August has become the pulse-taking month for American politicians. The annual congressional recess sends the members rushing home to check the mood of their constituents.

This August, many Republicans faced that prospect fearfully. The euphoria of the 1972 Nixon landslide had been battered by a barrage of bad news—inflation, Watergate and spreading commodity and food shortages.

Washington troubles seemed to dog their trails at home. Sarasin was doing a radio call-in show on Wednesday morning, when the station joined its network for five minutes of news. The opening news item said the Justice Department was refusing comment on payoff charges reportedly facing Vice President Agnew. The closing item said the Agriculture Department was predicting that increases following Monday's start of Phase IV would send the food price index for the year up 20 per cent over the January level.

"Terrific," said Sarasin.

Of all those on the firing line, none would seem to have more cause for apprehension than the 44 freshman Republicans, many of whom were carried into office last November on President Nixon's coattails.

No pair of freshmen are "typical," but 33-year-old Ron Sarasin and 33-year-old Robin Beard share many of the characteristics of the group.

Both are energetic, ambitious young products of state government who decided in 1972 to tackle well-entrenched incumbents in reapportioned districts with long Democratic voting histories.

Sarasin took on a seven-term veteran in Connecticut's Fifth District, which ranges from the industrial towns of the Naugatuck valley down to the suburban affluence of New Canaan.

Beard ran against a four-term incumbent in Tennessee's Sixth District, a huge, largely rural territory, with most of its population at opposite ends of a 220-mile line stretching from the outskirts of Nashville to the suburbs of Memphis.

Both applied miles of shoeleather and thousands of handshakes to dislodging older men they accused of "forgetting" the constituents who had sent them to Capitol Hill.

Both strapped the weight of George McGovern to the shoulders of their uncomfortable opponents. Both joined hands firmly with the popular President.

Sarasin handed out "at least 70,000" cards with a color picture of him shaking hands with Mr. Nixon. Beards recalls that "in almost every speech, I said I thank the Lord every day that I am running with Richard Nixon and not George McGovern."

And both saw their efforts pay off—thanks, in no small part, to the Nixon coattails. The President carried Beard's district by 65,000 votes, and Beard won by one-fourth that margin. In Connecticut's Fifth, Mr. Nixon's majority was 56,400; Sarasin's, 5,400—just one-tenth as much.

Both men know they are high on the Democrats' target list for 1974. But if the impressions gathered in their districts last week are accurate, the Watergate scandals will not sink them.

A far greater danger to their chances lies in the rampant inflation and the fear of growing fuel and food shortages.

There is little they can do to protect themselves directly against that economic backlash, so their best hope is the old salesman's remedy: Get out and hustle. That is exactly what Sarasin, Beard and dozens of other Republicans were doing last week

Topic A for the constituents, for weeks, has been the worry over rising prices and threatened scarcity, both men say. And on this topic, neither man offers a word to justify past policies or to promise future relief.

Sarasin spent Wednesday in Danbury, where Sen. Abraham A. Ribicoff (D-Conn.), himself facing re-election next year, had come the previous day to spread the word that the administration's energy policies would cause a serious heating oil shortage in New England next winter.

As Sarasin toured the same radio stations and newspaper offices Ribicoff had visited, he agreed with the forecast, if not the laying of blame.

A member of the "energy task force" of the House Republican Conference, Sarasin said he saw no short-term solution, but has co-sponsored a bill for a "crash program" to develop new energy sources.

GOP FRESHMEN FIND VOTERS CARE MOST ABOUT HOME

As for Phase 4 and prices he told a cable television interviewer: "When we remove the freeze, there's no question we'll see higher prices, but over the longer haul, the only way to bring prices down is to increase the supply."

"Are you just telling the harried housewife to bide her time?" asked interviewer Chris Silva.

"I wish I had better advice but there isn't a practical solution in sight," Sarasin said. "Price freezes don't solve problems. We have tinkered with the economy and every time we have we've loused it up a little bit more."

Down in Franklin, Beard took almost the same line. "I wish I could say I see some relief in sight," he said on station WAGG, "but my fear is prices are going up even higher. I wish I knew what the answer is, but I think we're going to have to rely on supply and demand."

Beard and Sarasin both believe that Congress has shucked its own responsibilities for economic management, and both try to remind the voters that the President should not carry the whole burden of blame.

Sarasin drew a good response from the Rotarians when he recounted the "ridiculous" amendments offered on the House floor by grandstanding Congressmen, when the Economic Stabilization Act was up for renewal last spring.

"Someone said we should roll back prices to last year," he said. "Someone said we should go back to 1929. Somebody said we should amend the law to reduce the gestation period of cows by half. So we ended up just handing the problem to the President."

"Why doesn't Congress set a budget and live with it?" a Rotarian asked.

"I don't know," Sarasin said. "They don't want the responsibility. It's much easier to demagogue."

Beard, too, told his Rotarians that "Congress talks fiscal responsibility, but they don't vote it." But in interviews, neither man sees much political hope in Mr. Nixon's pre-Watergate tactic of focusing public anger at the "big spenders" in Congress.

"I don't think it will work any more," says Beard. "The Democrats will talk about hospitals and schools and say, 'We're for the things that are good for the people.' "

In fact, though both men are generally found in the President's corner on House votes, both have broken away to vote for spending for their districts on airport development, vocational rehabilitation, impacted schools aid and public works, which Mr. Nixon opposed.

Both have fought their battles with the Office of Management and Budget. And when local editors last week congratulated Sarasin for springing $700,000 for the Still River project and Beard for restoring funds for the Columbia, Tenn., dam, neither refused to take credit.

Above all else Robin Beard and Ron Sarasin see their political salvation in being visible, accessible and accommodating servants of their districts. When news director Charles Dibrell of WIZO told Beard on the air "Your constituents are more aware of what Robin Beard is doing than any Congressman we've ever had," Beard replied, "You've made my day."

Neither man has ever stopped campaigning. Beard has been home all but five weekends since January; Sarasin, whose family still lives in Connecticut, has not missed a one.

Sarasin has converted his campaign bus into a "mobile district office," and is now completing his second circuit of his 26 towns, holding office hours in each.

Beard has been holding office hours in the courthouse of each of his counties, and both say that compared to the urgency of the personal problems the constituents bring to these sessions, Watergate and its ramifications seem remote and abstract.

Beard sat for two hours at the Williamson County courthouse Thursday, listening to a stream of problems and requests; an oil man angry about the independents' propaganda against his company; a naval academy applicant; two families whose homes are in the route of a parkway; a committee seeking a levee for the town creek; several social security and disability claimants; two men seeking help on getting jobs with the state; the wife of a government employee being "harassed" by his supervisor; a young man seeking to have his "undesirable" discharge reviewed; even some rural residents, who thought the Congressman could get the phone company to stop charging long distance rates for calls to the county seat.

Of the 50 to 60 people who came by, exactly one, a woman, wanted to talk about Watergate. "What I want to ask you," she said, "is what's the sense of having twelve men ask one man the same question twelve times in one day. What's the sense of that? Don't they have anything else to do up there?" Although their districts and personal political stances differ, with Beard and his constituents more conservative than Sarasin and his, two freshmen have it on the same way of dealing with the Watergate situation.

Both say they will not condone the "mistakes" or the "stupid things" that occurred. Both say that the Watergate crimes are not part of politics as they understand it.

But both come down clearly on the President's side of the issue—without demanding any further explanation from him.

On the question of the tapes, Sarasin told a Danbury interviewer: "The lawyer in me says he doesn't have to give them up. The inquisitive part of me says I'd like to hear

him. I don't know what the answer is, but the President has an obligation that goes beyond himself, to protect the prerogatives of the presidency. I think that's what he's doing.

"My own feeling is he did not know about Watergate or the coverup, that he was lied to by the people around him. I see a lot of people who shouldn't have been in those positions, who decided they were above the law. And the good thing about this is that we're demonstrating that no one is above the law . . ."

On a similar interview program in Franklin, Beard said, "I believe in standing behind the President. He's still popular down here. The majority of the people I've talked with say if they had it to do all over again today, they'd vote for Mr. Nixon again, 'cause the man has done a good job for us—made fantastic inroads in our foreign policy."

Both seized on the impeachment move of Rep. Robert Drinan (D-Mass.) as device for disassociating themselves from the President's more rabid critics. Sarasin hurried out a press release opposing the move. Beard told a radio interviewer, "I cannot tolerate such people as Father Drinan having the gall to say, 'Let's impeach the President.' This is the same type of guy who screamed on behalf of the constitutional rights and civil liberties of bums like Ellsberg, Angela Davis and people like that. I say its a two-way street . . ."

While backing the President, both men are taking steps to avoid being caught in the Watergate backlash they see demeaning all politicians in the public's eye.

Mindful of the unfavorable impression many of the lawyer-witnesses have made during the hearings, Sarasin makes a point of noting in every speech or interview that "I gave up my practice, partnership, association and income" when elected to Congress. "My full-time job is to represent this district."

Beard has gone much further, developing a long monologue about his fears of becoming the victim of "Potomac fever," which he says develops in Congressmen who have served in Washington so long they have been forgotten by their constituents.

"So, I'm putting the monkey on your back," he told the Rotarians, "to see I don't become one of these great world statesmen who you see up there. I'll be back here, lookin' you in the eye, and tellin' you how I cast the only vote you got on the floor of the House. But I can't read your minds. You got to tell me what you think and what you want me to do, and if you help me that way, I'll stay the most hustlin', hard-workin' Congressman you've ever had."

Ironically, while both Beard and Sarasin feel it is politically safe in their districts to speak up unequivocally for Mr. Nixon, they must thread their way carefully around the controversies surrounding the Republican Senators from their states who serve on the Watergate committee.

To judge by their comments, the problem of being in the same party as Richard Nixon is less worrisome than that of sharing a party label and a state with Sens. Lowell P. Weicker, Jr. or Howard H. Baker, Jr.

Publicly, Sarasin told the Rotarians that he is "proud of our own Senator Weicker, who has pointed out that this was not a Republican Party operation at all." Privately, he says that Weicker's stance has helped the Senator with independents and Democrats, "but it's aggravated a lot of Republicans."

Beard says the attitude toward Baker "is fairly rough. People feel like he's been a little bit too rough, that he's overacting in some of his questioning."

Publicly, however, he defends the senator, saying, "He's handled himself well in a very difficult situation." Beard compares it to the time he had his brother in his own Marine platoon and "I had to give him the roughest treatment of all, to show I wasn't partisan to him."

"I think Howard Baker has tried to do an objective job, and compared to other members, has handled himself extremely well."

As they tour their districts this August, these freshman Repulbicans, of course, are thinking about 1974 and what it may bring. They may be wrong, but they do not see any great peril in Watergate.

When a friendly journalist told Sarasin his likely Democratic opponent "is going to run on Watergate," Sarasin said flatly: "That won't be the issue," and let the matter drop.

Beard told a radio interviewer: "Without any question, anyone who tries to use Watergate as an issue against me, a congressman representing a district in Tennesssee, is going to be a pretty weak candidate."

"He can take my voting record and tear it up as much as he wants to; that will be a legitimate campaign. But for anyone to have the gall to run against me on the basis of Watergate, well, the people are just better informed than that. They won't put up with it. It will backfire on him." A Democratic editor Beard met later in the day told the congressman he agreed completely on that proposition.

Both men were asked if they would want President Nixon or Vice President Agnew to campaign for them now. Sarasin said, "I think it would be a help. People want to come out and see them. They're certainly a drawing card. But I am trying to do the job I was elected to do, and if I can get the point across, hopefully I can be re-elected on my own."

Beard replied: "I'd like to think that through good, hard work I can win on my own. I'm realist enough to know this is a Democratic district, and I have to sell myself."

Are there any pluses in being a Nixon man? Sarasin said, "Well, yes. This being a Republican administration, there are people I can deal with in the executive branch who might perhaps be a little more kind to me than they might be to a Democrat. I don't look on being a Republican as a disadvantage."

Beard said, "I don't know. Personally, I think he's done a good job, but I don't consider myself totally a Nixon man. Whether there are pluses now" I don't know. I'm just looking for Robin Beard pluses, trying to let 'em know what I'm doing."

Beard and Sarasin may not be typical. But if you were to generalize from their experiences at home this past week, their attitudes, you would say:

There's little likelihood today that the Republican congressmen will come back to Washington on Labor Day ready to raise hell with the President about Watergate. They will want—but don't really expect to get—reassurances from him about the economy. Some of them may well tell their Senate colleagues it's time to shut down the Watergate hearings.

They will come strengthened in their belief that they are on their own for 1976. That may well be reflected in more deviations from the administration line or coming votes. Faced with a choice of voting their district or helping the President, most will vote their district.

Unless these men and the constituents, editors and broadcasters they met are all mistaken, Watergate itself will not put their Democratic opponents in office next year. And if most of the Republican freshmen are working for re-election as hard and as early as Ron Sarasin and Robin Beard are, any Democrats who beat them will know they have been in a fight.

HOME, INC.

Mr. MUSKIE. Mr. President, earlier this year, the New England Regional Commission awarded a $50,000 grant to HOME, Inc., a crafts cooperative in Orland, Maine. The cooperative now has about 1,000 craftsmen members, supplementing their income by selling their products. In order to give my colleagues a better idea of what that $50,000 helped buy, I ask unanimous consent that an article in today's New York Times describing the project be printed in the RECORD.

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

THE PARTNERS ARE THREE NUNS—AND 1,000 MAINE CRAFTSMEN

(By Lisa Hammel)

ORLAND, MAINE.—"All I know of tomorrow is that Providence will rise before the sun."

The felt and burlap poster announcing this belief hangs in a small room in a weathered board house just outside this 18th-century village, about a half-hour's drive south from Bangor.

The house is occupied by three nuns, still members of the Carmelite order although they are no longer cloistered. And if Providence has begun to smile on them in the last few years, it may be because they have been meeting it more than halfway.

RENTED COTTAGE

The nuns—Sisters Margaret Dorgan, Lucy Poulin and Patricia Veale—left their cloistered monastery in New Hampshire and, with church sanction, moved to this state. Sister Lucy said they were seeking a simpler life than they believed they had in their "two-city-blocks-long monastery."

Settling temporarily in a rented cottage, they found work sewing shoes, which they could do at home. But soon there was more work than the three could handle, and at the same time they began to be aware of the poverty and needs of many of the people who lived around them.

"The essence of the Carmelite life is solitude, silence and prayer," said Sister Lucy, whose maroon beret still held a bit of straw left from her afternoon chore of baling hay. "But as Christians," she continued, "we responded to what we were faced with."

The sisters soon rounded up 30 women who were eager to do the sewing. And there were 200 more on a waiting list. But a year later, because of a change in operating costs, the factory closed.

"We still had to earn a living though," recalled gray-haired Sister Margaret, who had come into the basement reception room of the farm-house they later built for themselves. She was clad in the shirt and dungarees that are a kind of mufti habit for the three nuns when they are not out in public.

So the sisters made suede clothing and accessories ("We had learned leatherwork by doing the shoes," Sister Margaret explained) and then, she said, "we peddled from store to store with our black suitcases. In one year we did $7,000 worth of business."

In the meantime, the women they had helped, who had now been put out of work by the closing of the shoe factory, began to turn to them. And it occurred to the sisters that they could marshal the native talents of these women and other men and women like them—and form a crafts cooperative, which they saw as one way of returning power to the people.

COMPLEX OF BUILDINGS

"The plight of the rural woman," Sister Lucy said, "is the worst I know of. She's

poor, isolated and powerless. The big trick is to break the welfare cycle that has been perpetuated for generations."

In May, 1970, the HOME Cooperative (the letters are an acronym for Homeworkers Organized for More Employment) was opened, with one building, a few acres, a staff of two, excluding the sisters, about 100 participating members and work that Sister Lucy recalled as just a notch above "a typical church bazaar."

Today, just a little more than three years later, there is a complex of buildings on about 24 acres, almost 1,000 craftsmen members, a wholesale operation (a line of suede, patchwork and denim fashions will shortly be available at a New York boutique—Betsy, Bunky & Nini at 237 East 53d Street), a free mail order catalogue (P.O. Box 408, Orland, Me. 04472), a summer store in Bar Harbor and a Christmas store in Bangor, Me. There is also an adult education program that teaches both crafts and "coping skills," as Sister Lucy described it, to more than 400 students.

And while only a handful of the craftsmen are making a living wage at what they do, the co-op has begun providing many of them with a supplementary income.

VOLUNTEER WORKERS

There are also now about 35 regular staff members (mostly VISTA workers officially assigned to the project, along with some local people), whose ranks are swelled by dozens of volunters from around the country who heard about HOME and came to donate their services.

The staff and volunteers cover an impressive cross-section of dedicated citizenry.

They work on construction, help run the retail or wholesale operations, handle the finances or attend to administrative matters. They range from high school students to keen-eyed grandmothers and salty men of advancing years, and in background from Air Force veterans to priests, from millworkers to attorneys.

And each has come because of a belief in the importance of helping people to help themselves.

As for the craftsmen, they have their own reasons for being involved in the Home the nuns built.

Eighty-three per cent of the members are women, many without men, and bone-poor. Other members are retired artisans or factory workers, or their wives, living on fixed incomes and glad of the occupation and the additional money.

Dolores Roi, an ample woman with gray eyes that match her crisp gray hair, is the mother of nine children. Her late husband was in the Air Force. Mrs. Roi, who lives in a comfortable old farmhouse with attached barn in Orland, started with the project when it was first organized, and now teaches sewing for the co-op as well as making things herself.

"It's a good opportunity for many people," she said, "even if they don't get wealthy with it. A lot of people who have been quite isolated have come and taken part; and it's done the more affluent ones good to see what some of the problems are. I had never realized there were people in that kind of need so close by."

Charles Frederickson, who is a very lively 80, retired 15 years ago from an aircraft plant in Connecticut to a green shingled house on Verona Island overlooking the broad expanse of water where the Penobscot River turns into Penobscot Bay.

Mr. Frederickson, who has a basement full of woodworking tools, does canning for the co-op. "I can't just sit in a chair till I die," he said. "I have to have something to do. So I do canning for them."

Francis Arey is retired from the St. Regis Paper Company's big mill in Bucksport, and lives with his wife and a saucy myna bird at the end of a road that dwindles off into meadow and small woods. Mr. Arey, who "just picked up woodworking," makes candlesticks and candle lanterns and bowls on a lathe he built himself.

"I can't make wages at it," he noted, "but it brings in a little. And if it wasn't for this, I'd be with some of my friends down at the senior citizens playing pool."

Esther Hills arrived at HOME one morning lugging a number of oversized stuffed dolls, some quilts and a made-to-order 90-foot-long rag rug stair tread she had just finished. She also weaves for the co-op on a loom she inherited from her mother-in-law. Her husband, Mark, is an automobile and farm mechanic.

"I visualize in my mind what I want to do," she said. "I like to create. It's what I've always wanted to do but never had the privilege of."

Mrs. Hills works in a nursing home four mornings a week, tends her garden and does "all my own freezing, canning and berrying. And in the evening, I put my eyes on the TV and weave."

One of Mrs. Hill's fondest hopes, she said, is that "in a couple of years, I'll have enough business so I can just do this. I strike out whenever I hear about a gift shop on a main route. But HOME has done the best by me. They've done beautifully by me."

Annie Stritham, whose husband, Harley, is also retired from the Bucksport paper mill, sat on a recent afternoon in her front parlor—a room furnished with a few antimacassar-topped armchairs, a yellow and white braided rug and photographs of some of her eight grandchildren.

"I spend an average of a few hours every day doing the sewing," she said. "That keeps me busy enough. And I knit sweaters, too. I've always done things, but never had a chance to sell before."

The craftsmen's co-op seems like a fine idea to her. "It doesn't pollute the air or destroy the soul, and it's profits for everyone, not just for a few."

Mrs. Stritham glanced down for a moment at the pile of gaily printed patch-work placemats she had brought in, and then lifted her head, looking almost girlishly pleased. "There must be an awful lot of homes in the country that my things are in," she said.

OFFICE OF SPANISH-SPEAKING AFFAIRS

Mr. DOMENICI. Mr. President, yesterday I joined several of my colleagues to petition Secretary Caspar Weinberger urging him to reconsider his decision to eliminate the Office of Spanish-Speaking Affairs within the Office of Education.

I did not earlier join Senators HASKELL, STEVENSON, and others because I was unaware of the situation until late yesterday afternoon. Unfortunately, a letter informing me of this action on the part of my colleagues was misplaced by a member on my staff. However, as soon as I was informed, I immediately sent a telegram to the Secretary in order that he be aware of my position. I later sent a follow-up letter stating in further detail my great concern for the future of education for our Spanish-speaking citizens. If there is no objection, a copy of that letter will follow my statements here.

In my State, and, I would dare say, in the entire Nation, there is still a need for a special emphasis in dealing with the educational problems of the Spanish-speaking person. Since the Office of Spanish-Speaking Affairs was initiated in 1966, it has helped Spanish-speaking educators obtain information and necessary assistance from Federal programs. Without this assistance, I am afraid the progress made in this area would have been slowed considerably.

Furthermore, during the past few years the Office has served as a vigorous advocate of programs designed to meet the needs of the Spanish-speaking community. Many accomplishments have been made despite the fact that there are only 3–7 employees and the office operated on a budget of approximately $50,000 last year.

I believe that this is not the time to terminate the Office. Diligence is still needed in seeing many of these programs through, for although I have seen great strides in my own State as a result of these programs, there is stil much to do.

Mr. President, a basic principle by which this Nation was founded was that all men would have at least an equal chance to participate in all national programs. Some of our citizens are at a disadvantage yet today. We are all aware of the progress made with the passage of many legislative initiatives to make that dream a reality. Certainly we would all agree that education is the great equalizer. Certainly then, we must guarantee the right of all citizens to the best we have to offer. I feel that the Office of Spanish-Speaking Affairs was trying to live up to that ideal. They ought to be able to continue their efforts until we are closer to the goal.

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

SEPTEMBER 27, 1973.

Hon. CASPAR W. WEINBERGER,
Secretary of Health, Education, and Welfare, Washington, D.C.

DEAR SECRETARY WEINBERGER: This is written in opposition to the proposed plan to dismantle the Office of Spanish Speaking Affairs in the Office of Education. I feel this action would be counterproductive to the needs of the Spanish speaking community and the nation as a whole.

Education has been looked upon as one of the main avenues to equality for the Spanish speaking. The dismantlement of the agency charged with the responsibility of seeing that this avenue remains open would be a signal to the Spanish speaking community that your department no longer considers them important.

I would urge you to reconsider this decision and to also please inform me of the status of the plans for its continued existence.

Sincerely,

PETE V. DOMENICI, *U.S. Senator.*

RURAL TRANSPORTATION CRISIS MAY NEGATE INCREASED FARM PRODUCTION

Mr. HUMPHREY. Mr. President, we as a Nation have set a goal of all-out food production for next year and the foreseeable future.

We must achieve this goal in order to control food prices at home, help avert threatened catastrophic famines in many developing nations, and protect the value of the U.S. dollar abroad.

As an additional goal, this Nation is attempting to achieve a balance of urban

and rural growth in the future in which rural areas must play an important growth role.

These are realistic short- and long-range, bipartisan goals which we must achieve.

However, the existence of one major stumbling block is becoming increasingly apparent. The magnitude of this obstacle is frightening, and the extent of its parameters is unknown.

That stumbling block is rural transportation, or rather the inadequacy and, in some cases, complete lack of usable facilities for rural transportation.

No effort has been made to determine the impact of tens of thousands of miles of rail abandonments on rural America and its agricultural production. Concurrent with this has been emphasis on interstate-type highway construction without a similar emphasis on improving deteriorated primary, secondary, and county roads—the latter two comprising our "farm-to-market" road system.

No study has been made which relates the effects of rail abandonments and inadequate farm-to-market roads to farm production and the cost of agricultural products, not to mention its relationship to farm failure and the decay of rural communities.

The first effort along these lines is a study this Congress ordered, as a part of the Agricultural Appropriations Act, on the "Crisis in Rural Transportation." This crisis is indeed very real and, in this case, not overstated.

I request that we consider on an urgent basis, an expansion of this study which may offer some possible, partial solutions, at least, in time to prevent a disastrous breakdown in transportation when full farm production is achieved, if indeed this production level can be attained without transportation solutions beforehand.

I say possible solutions since it will take research and study to find the limits of feasibility of any new concepts.

The expanded study would encompass research on utilization of the "container concept" in the movement of bulk agricultural products, both within the country and overseas.

The "container concept" is revolutionizing all forms of transport worldwide, and in virtually all major industries. The economic benefits of containerization have, among other things, brought about the restoration of our merchant fleet.

The "Crisis in Rural Transportation" study, to be conducted by the Economic Research Service of the U.S. Department of Agriculture, would be expanded as follows:

Study the potential for utilization of the container concept in the movement of agricultural products and agribusiness products to and from the farm.

Study potential use, intracontinental United States.

Study potential use for export and backhaul potential.

Study potential use of refrigerated containers for shipment of processed poultry and meats, both intra-United States and for export.

Study combination usage between agribusiness and nonagribusinesses to utilize containers both ways and thus encourage dispersal of industry and jobs.

A research and development program to develop hardware—especially new types of containers—if necessary—development of inexpensive methods of on- and off-loading containers on—farms—at elevators and collection points, and—onto flatcars and barges.

Recommend sources of private capital to finance and/or rent and lease containers, such as farm cooperatives, elevators, produce buyers, rail, truck, and barge lines.

Coordinate this study with the "Crisis in Rural Transportation" study to see if present rural highways and railbeds are sufficient to handle container loads. Study should detail deficiencies, if any where these deficiencies exist and the cost and timetable estimates for correcting them.

Mr. President, this matter of improved rural transportation and the "container potential" is of great interest to me. I strongly urge the U.S. Department of Agriculture to make it a part of this congressionally mandated study of the "Crisis in Rural Transportation."

PAPER MOON—WALL STREET JOURNAL SEES GROUND FOR SUSPICION IN IMF REFORM PROPOSAL

Mr. HELMS. Mr. President, I commend to the attention of my colleagues an editorial which appeared in the Wall Street Journal on September 27, dealing with the International Monetary Fund reform discussion which has been going on in Nairobi, Kenya.

The editorial is a perceptive analysis of some of the dangers to world monetary stability which would result from a liberalization of the current use of special drawing rights.

I hope Senators will keep these points in mind when evaluating the international monetary changes which will result from these current meetings.

I ask unanimous consent that this editorial be printed in the RECORD.

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

PAPER MOON

Part of the rationale of the creation of Special Drawing Rights (SDRs) under the aegis of the International Monetary Fund in 1969 was that there was a need for an additional reserve asset to insure sufficient liquidity for international commerce.

Lack of liquidity is scarcely a problem today, as Mr. Stabler notes on this page today, but another use for SDRs is getting heavy promotion at the IMF annual meeting in Nairobi: They could be issued to the less developed countries (LDCs) as a substitute or supplement for the various forms of aid those countries receive from developed nations of the world. The idea has beauty in its simplicity, but there are good reasons for having doubts about it.

One of them is the attitude of the less developed countries. They like the idea so well that they are willing to go to some lengths to have it realized. Specifically, they are willing to vote as a bloc to thwart the establishment of a new monetary order unless that order provides them with the special SDR aid.

It is the attitude that bothers us, not the possibility that it might somehow delay formation of the new monetary order. As has been noted here before, the present non-system of floating exchange rates seems to be working well enough; we can see no need to junk it hurriedly in favor of an untried scheme. We see no special attraction to organization merely for organization's sake.

But the attitude that the problems of the world can somehow be solved by merely calling pieces of paper "money" and sending them out to the folks who have the problems—well, that's a bit disturbing.

If the LDCs got their aid SDRs they could indeed use them to buy dollars and francs and pounds which could in turn be spent on autos, textiles, roofing shingles or what have you. But there is no guarantee that this added claim on the world's finite supply of real goods wouldn't merely result in further erosion of the purchasing power of dollars, francs, pounds or other currencies. In other words, there is no guarantee that SDR aid would really give the LDCs much real added purchasing power.

In fact, there is every reason to believe that the 9.5 billion SDRs that already have come into use, equivalent to $9.5 billion in 1969 pre-devaluation dollars, have aggravated a tendency towards worldwide inflation. Since the 1960s, the world has gone from a presumed liquidity shortage to a super-excess of liquidity. Most of this has been caused by excesses of national currencies, particularly the dollar, but the simple fact is that the world does not need more liquidity when price inflation in the major industrial countries is averaging close to 9%.

Further, the SDR scheme might not serve the specific national interests of the LDCs as well as its promoters believe. Given the realities of politics, are we to assume that the added nominal purchasing power would go to build the productive capacity of LDC economies? Present forms of aid, with all their problems of misdirection and inadequate project evaluation, at least are heavily aimed at building productive capacity.

Industrial nations which have supported the SDR aid scheme as a simple answer to the problems of the LDCs many well be doing the cause of world development and world monetary stability a substantial disservice. The United States, to its credit, has been strongly resisting the idea. Some of its critics claim that the U.S. merely wants to keep strings tied to aid so it can be used for political purposes. But this is an unfair charge considering the commitment the U.S. already has made in multilateral forms of foreign aid that give it very little real leverage.

As to the LDCs themselves, they can perhaps not be blamed for wanting all the help they can get and even trying to use political leverage to move things along a bit. But it might be well for LDC finance ministers at Nairobi to think a bit more about the proposition. There always are grounds for suspicion when someone promises the moon and the grounds become even more solid when the moon is made of paper.

INTERSTATE LAND SALES

Mr. HARTKE. Mr. President, in 1968, the Congress enacted the Interstate Land Sales Act in an attempt to halt the fraud prevalent in interstate land sales. Unfortunately such unethical practices continue to persist. It is for this reason that I have introduced S. 1753, the Interstate Land Sales Act amendments. The bill requires Federal licensing of all interstate land sales dealers.

Mr. President, an article which appeared in the Chicago Tribune shows what can happen to an individual who unwittingly falls into the trap set by some fast-talking interstate land salesman. I request unanimous consent that this article from the Chicago Tribune be printed in the RECORD for the information of the Senate.

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

BUYER BEWARE—OUT-OF-STATE LAND SELDOM SHANGRI-LA

(By Bob Walton)

What does a person say to a retired man who has invested $2,700 of his pension money in unseen Colorado property and has received no record of his payments?

It's too late to tell him never to buy property without first taking a look at it and the surrounding territory. For all he knows his acreage could be on the side of a steep mountain.

For every person who has profited by such an investment thousands have lost and the victims invariably are thoese who can't afford to take such a gamble. Florida, for example, is a beautiful state, but no one knows how many underwater lots have been sold to the unsuspecting.

The story of the Colorado investment is told in a letter from a 68-year-old man who lives in a suburb of Detroit.

"We recently, bought a 9½-acre parcel from a firm selling property in Colorado," he wrote. "We paid $950 for a downpayment and later the salesman persuaded us to buy a bigger place at twice the price.

"After giving it thought for a few days, I decided it was too big a chunk for me to handle because I was paying for it with my pension money and it would take twice as long to pay it off."

Continuing, he wrote that he and his wife decided to go back to the original deal "and when we canceled out, the contract was returned as was our second check for $950."

He then went on to explain he and his wife are planning to pay off the balance in two years instead of 10 years as provided for in the contract. "We are doing that by making four monthly payments each month and have put up $2,700, but there have been no acknowledgement of the money having been received.

"Is this customary?" he asked.

He answered his own question when he wrote that in buying their present home on a GI contract, "we knew where we stood after every payment.

"In this deal we are saving our [cancelled] checks, as they represent the only way we have of knowing when we are paid up," he wrote. "Can we demand a statement on the payments we have made?"

And now for the finale of this unusual letter.

"We have until next July 15 to inspect the property and my wife wants to know that, if we decide not to buy, would we get our money back?" he asked.

It is possible he can get his money returned, but he will have to get tough and act fast and he should engage an attorney at once.

Most states have laws designated to protect innocent victims of such investments. Once the promoters receive a letter from an attorney it is likely they will settle in a hurry, if for nothing else than to shut him up.

Meanwhile, he will have to keep those cancelled checks under lock and key and he should never let them out of his hands.

He didn't say, but it is within the realm of possibility that the promoters will offer him and his wife "free" transportation to Colorado to inspect his acreage.

If he feels he wants to see the property, it should be at his expense because a "free" trip would be anything but that for him. When a man is as easy with his money as he is, it's almost a certainty he'll reinstate the second purchase he cancelled.

FOREIGN AID AND THE DRUG TRAFFIC

Mr. CANNON. Mr. President, the flow of drugs into the United States from countries receiving American foreign aid is shocking and scandalous. Although we have been aware of this problem for some time, American law enforcement cannot on its own conquer the trafficking problem. We must choke this flow at its source. This can only be done with the cooperation of nations in which drug production occurs.

Today I am asking that every Member of the Senate give serious consideration to the amendment 502 to S. 2335, offered by the Senator from Indiana (Mr. HARTKE), which would stop all foreign aid to any country that doesn't take adequate steps to control the production, distribution, transportation, and manufacture of heroin. I am pleased to cosponsor such important and badly needed legislation.

This amendment calls for a good faith effort on the part of these countries through the establishment of an effective agency for enforcement. Most importantly, this proposal requires cooperation with the United States in its efforts to eradicate the shocking undermining of the moral fibre of our society caused by the illicit use of heroin.

We here in Congress will have the opportunity to evaluate a finding by the Secretary of State which would determine whether each country, consistent with its individual problems, has made a good faith effort. A resolution rejecting the administration's affirmative finding will cut off all foreign aid to that country.

Mr. President, it is time to stop this criminal trade and restrain the epidemic of hard drug addiction. Let us halt the destruction of our most valuable asset, our country's young people.

PRESIDENT'S HOUSING MESSAGE

Mr. CRANSTON. Mr. President, I commend the President for announcing immediate moves to make mortgage loan money available and to unfreeze money for rehabilitation loans and subsidized rental housing. I also applaud his recommendation to raise the FHA ceiling on single-family mortgages from the current $33,000 limit. I pledge my support for speedy approval of these recommendations.

But on long term housing poilcy, the President's message Wednesday was incomplete and disappointing.

Uncertainty clouds the President's housing plans for fiscal year 1975 and fiscal year 1976. More disturbing, however, is what the President's message does make clear: He has no strategy for improving rural housing; he has no intention of having the Federal Government assist people of modest means to buy new homes; he has no plans to give Federal assistance for the construction of rental units adapted to the special needs of the elderly, the handicapped, large families, and the single-nonelderly person. These groups require units specially designed for them. Yet, the President is recommending a rental housing construction program which is not tailored to the unique needs of certain groups of renters. The President's primary program, direct cash payments, is applied principally toward existing units, and many of these lack the congregate facilities, incline ramps, and other features required by the elderly, the handicapped, and others.

A housing allowance relies principally on units that have already been constructed. Yet thousands of these units are being lost each year from our Nation's housing stock because landlords and owner occupants are either unwilling or unable to finance repairs. In my own State of California, there are 700,000 substandard units. Without rehabilitation, these units and the neighborhoods where they are located will continue to go downhill.

To prevent the deterioration of housing and the surrounding neighborhood, Senator TAFT and I introduced the Home Preservation Act of 1973 to provide rehabilitation financing under a variety of circumstances and in a variety of locales. I am disappointed that the President, while pinning the allowance to existing units, offers in his message only a small sample of rehabilitation assistance.

The idea of housing allowances did not originate with this administration. The 1970 Housing and Urban Development Act authorized the Secretary of Housing and Urban Development to undertake research programs to test the feasibility of providing poor families with cash payments to assist them in renting standard units of their choice. The first data from the congressionally authorized experiment are not yet in. Clearly, the continuation and expansion of that experiment is necessary to yield reliable results.

In his message, the President outlined several questions that he wants to see answered in the course of the experiment. None of the President's questions were directed at what I believe to be an essential goal of a federally aided housing program: Protection for the consumer against poor quality housing.

The housing allowance is designed to enable poor families to move into decent and safe housing. The President did not raise the question of who will judge and enforce standards of decency and safety. Which standards will, in fact, be used? Who will see to it that the poor and aged find standard units when they may be too old or weak to locate such housing on their own? What will prevent landlords from responding to increased purchasing power—the allowance—by making only cosmetic improvements to their units while neglecting defects that affect health and safety? These are some of the questions I want to see answered in the coming year by the housing allowance experiment.

HUD officials indicate that out of a

full-scale housing allowance program costing between $8 to $11 billion, as much as one-half billion would be spent for administration. That is one-half billion per year. How this money is used—whether it will assure that the recipient finds and enjoys standard housing—or whether it is used to pay a top-heavy bureaucracy here in Washington—this is a matter that needs to be clarified.

The President failed to explain what kind of housing programs we will have in fiscal year 1975.

He announced the approval of 200,000 more subsidized units through fiscal year 1974, the end of the suspension of the section 23 leased public housing program, and the release of $60 million in rehabilitation loans-actions I was happy he decided to make. But I am disappointed that the President is not releasing all the impounded section 312 rehabilitation loan money as I proposed in a bill earlier in the session. I am distressed that the President has stuck to his decision to terminate conventional public housing, rent supplements, and in section 235 and 236 programs while offering no substitute housing program for fiscal year 1975.

By the end of 1974, the President stated he may be ready to make a final decision on his principal approach: Direct cash payments to the poor applied toward existing units. But if the housing allowance experiment shows that this approach is unworkable, what then for fiscal year 1976?

I agree with the President that up to now, Federal housing programs have been weighted toward new construction. We need, I believe, to strike a better balance between Federal support for new and existing units. But the President's shift is inequitable for persons of low- to moderate-income seeking homeownership.

By fiscal year 1975, the section 235 program will be dead. By refusing to keep subsidized homeownership live, the President is leaving the moderate-income family—a family earning between $8 to $10,000—with little access to homeownership. These families used the 235 program. They will be forced in fiscal year 1975 to turn to conventional financing for houses in their price range: $20,000 or less. The supply of housing in this price range is small. Rising construction costs and financing costs will reduce this small number even further. Only 14 percent of new homes sold so far in 1973 were priced at $20,000 or less whereas the average price of a new home in the first quarter of 1973 was $32,800. By contrast, in May 1972, that home sold for $27,000.

Eighty-one percent of the users of the section 235 program had incomes of less than $8,000. Turning to conventional financing is no alternative for these individuals. For them, the end of the 235 program means the end of the chance of owning a newly constructed home.

I believe we need a construction program for single-family housing that is priced for those with modest incomes. Further, construction programs that add to the supply of housing in the price range of the 235 program will help keep down housing prices for all persons of moderate incomes.

If the housing allowance program replaces the present subsidized programs, it will confine the predominant number of people receiving Federal housing assistance to the status of renters. In his message, the President has foresaken the concept of assisting poor families in owning new homes. He has left those of moderate income adrift, for without some kind of Federal subsidy, persons of modest means cannot afford to buy a house. No subsidy to moderate-income familiies for homeownership is being offered by the President.

Homeownership opportunities for people of modest incomes should be opened up, not closed. The President's housing message shuts the homeownership door in their face. I believe the Congress should see to it that it is reopened.

In contrast to his neglect of modest income home buyers, the President makes several recommendations to help middle-income purchasers.

I share the President's view that the FHA single-famiy maximum mortgage limit of $33,000 is unrealistic in today's market. His request to raise that limit has my support. Considering today's high price of new and resale homes, the home buyer using FHA financing is lucky if he finds a house within the maximum mortgage loan amount of $33,000. In high cost metropolitan centers in California, FHA activity is drying up. The FHA loan amount is just too low. In the Los Angeles-Long Beach area, for example the average purchase price of a new house was $37,400 in March 1973. In the San Francisco-Oakland area, the average purchase price was $37,000.

Today's high prices are not about to go down. The strong demand for housing, which has helped push housing prices up, is continuing.

New families are being formed at a high rate; personal disposable income is rising; older housing is dropping out of our housing stock—these factors sustain demand for new units and sustain prices.

The high costs of land, labor, and materials is not about to subside either. Over the past year, hourly wage rates in the building trades have gone up 7 percent; overall construction materials went up by 15 percent—the most important building material, lumber, increased by 35 percent; and the average cost per acre of a finished lot outpaced other increases by going up 30 percent.

If FHA mortgage loans are going to be originated, they must reflect a housing market which has changed since the 1969 housing act set the $33,000 figure. A higher FHA limit is necessary and has my support.

The President's other proposals affecting FHA—the experimental authority to permit flexible repayment terms; the setting of FHA and VA interest rates at the market rate; and FHA reinsurance of private mortgage insurance companies—all require study by the Congress. A careful evaluation is also required of the President's proposal to allow a mortgage interest tax credit to financial institutions who invest in residential mortgages.

Of immediate value is the President's decision to ease his tight money policy that has made mortgage money at reasonable rates almost impossible to get.

On July 5, Federal monetary authorities tried to check the outflow of savings from thrift institutions by authorizing higher interest rates on time deposits. On the same day the Secretary of Housing and Urban Development announced that interest rates on FHA and VA loans would be raised from 7 to 7¾ percent in order to avoid large discounts. While both actions were intended to do some good, both have failed the savings and housing industries and the homebuying public.

Despite the higher interest rates payable on time deposits, savings and loan associations and mutual savings banks have actually lost hundreds of millions of dollars since July 5 to commercial banks and to investments in more attractive Treasury bills and other market instruments.

The result is that mortgage money that was gradually disappearing prior to July 5, quickly dried up.

When the Secretary of Housing and Urban Development announced on July 5 that FHA and VA rates would be raised to 7¾ percent, he did so because sellers were having to pay at least 8 discount points to make the FHA mortgage marketable.

Despite the interest rate hike, many who depended on FHA and VA financing still found they were out in the cold. The Secretary of Housing and Urban Development suspended the GNMA tandem plan for nonsubsidized FHA loans on the theory that this assistance would not be needed once a higher interest rate was effective. Discount points, however, did not plummet. Since then, the Secretary of Housing and Urban Development has raised the FHA interest rate to 8½ percent. Even so, sizable discount points continued to be charged.

As of August 30, the date of my response from Housing and Urban Development on the subject of the GNMA tandem plan, the Department stood fast by its decision not to reinstate the GNMA tandem plan assistance for nonsubsidized programs. Mr. President, the Department's response was prepared for the record of hearings by the Senate Housing Subcommittee on housing legislation. Since this record has not yet been printed, I ask unanimous consent to print the Department's response to my questions in the RECORD.

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

QUESTIONS FROM SENATOR CRANSTON

The termination of the GNMA Tandem Plan for the unsubsidized programs has caused a great deal of concern in my State and, I am sure, in others. Some sponsors, for example, had firm commitments at the time GNMA said it had closed its doors.

1. Why has HUD terminated the GNMA plan for the unsubsidized programs?

2. Will GNMA honor those firm commitments made around June 27–28?

3. Will the Tandem Plan for the subsidized

programs cover all those applications in the pipeline?

ANSWERS TO SENATOR CRANSTON'S QUESTIONS

1. The Secretary has increased the maximum allowable interest rate permitted for mortgages insured by FHA to 8½ percent. HUD's Tandem Plan for FHA insured housing (unsubsidized) will remain suspended (except for multifamily housing mortgages covered by FHA commitments issued prior to June 30, see 2. below) because the Plan will not be needed with the reduction in discounts resulting from the higher interest rate.

2. GNMA will honor all commitments made by it for the purchase of mortgages prior to the close of business June 28. It is anticipated, however, that most mortgage lenders with commitments covering unsubsidized housing mortgages will have their FHA commitments increased to the new interest rate thereby avoiding the need for Tandem Plan participation. All Tandem Plans were suspended, effective June 28, 1973, when funding authorizations were exhausted. Since that time, in July and August, the Tandem Plans for Programs 16 (section 235(j)), 17 (section 221(d)(3)), 236, and rent supplements), and 18 (section 235(i)) were reinstated when funding authorizations were approved. Effective on August 27, the Tandem Plan for Program 21 (unsubsidized multifamily housing mortgages was also reinstated for mortgages covered by FHA commitments issued prior to June 30.

3. In order to avoid inequity in connection with the increase in the interest rate, Tandem Plan assistance will continue as to all HUD subsidized housing in process which would not be feasible at the higher interest rate and requires Tandem Plan assistance to remain economically viable. A letter is required from the local HUD office to GNMA documenting the finding of infeasibility at the higher rate.

Mr. CRANSTON. The suspension of the GNMA tandem plan on July 5, for the unsubsidized programs was premature. I am pleased that the administration has reversed itself and is reinstating this assistance.

Besides the reinstatement of the GNMA tandem plan, I am encouraged by the President's announcement that the Federal Home Loan Bank Board is authorized to work out a program of "forward commitments," worth $2.5 billion, designed to give savings and loan associations the confidence to make mortgage loans.

But, the GNMA tandem plan and the program of "forward commitments" alone are not enough to solve the current credit crunch of tight money and high interest rates that threatens to shut down homebuilding and shut out people who need and want to buy homes. Congress must continue its investigation of the impact of actions taken by the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board on July 5, and take other corrective measures where necessary. These actions included increasing interest rates on time deposits, decreasing to ¼ percent the differential on passbook savings between commercial banks and thrift institutions, and introducing a new type of time deposit which is causing wild bidding between banks and savings institutions for the savings dollar. This new savings category is a 4-year, $1,000 minimum, unlimited interest time deposit.

I personally support a proposal being offered by Senator MCINTYRE that requires Federal banking regulatory agencies to set interest ceilings on certificate of deposits in order reasonably to assure the flow of money into savings institutions and the housing market.

The President will be sending his legislation to Congress shortly. I hope the legislation is more specific than his message. The course for housing programs for fiscal year 1975 and fiscal year 1976 are still unchartered despite all the fanfare about new directions. Putting housing programs on the right course is a task now for the Congress.

AN HONEST MAN BOWS OUT

Mr. HUDDLESTON. Mr. President, all of us feel a sense of sadness over the impending departure from the Senate of the distinguished senior senator from Iowa (Mr. HUGHES). Senator HUGHES has been an eloquent spokesman for so many causes that this Nation needs to address—the cause of peace, the cause of combatting alcoholism and drug abuse, and the cause of giving every man a sense of dignity and self-respect.

Senator HUGHES has been and doubtless will continue to be a great spiritual and humanitarian leader. He exemplifies the kind of spiritual leadership that combines the force of conviction with the compassion for need.

So we can all join in wishing him well in his new endeavors. I have no doubt that he will make just as great—if not greater—contributions for the good of his fellow man in his new role as a Christian lay leader and spokesman. And I, for one, certainly hope that Senator HUGHES will on a regular basis give the Members of the Senate the benefit of his views on matters with which he will be dealing.

In a time when so many people are skeptical and downright suspicious of public officials, it is refreshing to note that there are many, many fine men and women in public office. They, like Senator HUGHES, serve the cause of man and God as best they know how—and often at very great personal sacrifice. Many of the finest men and women I know are public officials who have dedicated their lives to making life better for their State and Nation.

It is a great tribute to Senator HUGHES that the Paducah Sun-Democrat, a relatively small but outstanding daily newspaper in my State, devoted its lead editorial of September 20 to Senator HUGHES. The editorial is entitled "An Honest Man Bows Out," and I think the Sun-Democrat was correct when it stated:

Many people have disagreed with many of the positions Senator Hughes has taken. But nobody has had the temerity to ascribe his positions to anything less than lofty motives.

Mr. President, I ask unanimous consent that the Paducah Sun-Democrat editorial of September 20, 1973 be printed in the RECORD.

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

AN HONEST MAN BOWS OUT

Somebody once remarked that the one unbeatable thing in this world is a completely honest man.

Such a man, if we judge correctly, is Sen. Harold Hughes of Iowa. Once a truck driver who slid into the abyss of alcoholism, he recovered through a profound spiritual experience. As a result, he determined to test what could be accomplished by a completely honest and dedicated man.

The people of Iowa have been so caught up in the drama of his life and the extraordinary ability that was unshackled when the bonds of alcoholism were severed, that it's inconceivable that they would deny him any office he asked for.

He has served them three times as governor and is now in his first term as United States senator. No doubt, he could go on serving in the Senate until the end of his active life.

But now, having established the truth of the maxim about the honest man, he has decided not to run again. He is going to leave the Senate at the end of his term "to work full-time for Christ."

Why is he walking out of an office which is the summit of ambition for many men?

Because, he told a press conference, he has made a "compelling, intuitive commitment to launch out in a different kind of effort that will be primarily spiritual rather than political."

Sen. Hughes' great strength has risen from his rejection of the false values that ensnare other men. It's impossible to imagine anyone even offering him a bribe. He works for different goals, and he is actuated by different motives from those that move lesser men. In serving the people, he believes, he is serving God.

There is a special danger for this type of man. Because he knows his motives to be better, he is likely to believe that his opinions are also sounder than those of other men. Sen. Hughes avoids this snare better than most.

Many people have disagreed with many of the positions Sen. Hughes has taken. But nobody has had the temerity to ascribe his positions to anything less than lofty motives.

"Nor does the wisdom of the spirit solve precisely the perplexing problems of worldly conduct," Walter Lippmann wrote in "The Public Philosophy." "For it is the realm of being in which the problems of earthly existence are not solved but transcended."

Maybe Sen. Hughes has concluded that people have a greater need today to learn to transcend some of the difficult problems facing the nation than to have them solved. Or maybe that the problems aren't solvable at all until we do learn the "wisdom of the spirit" that transcends them.

SENATOR BENTSEN WINS PRAISE

Mr. MCINTYRE. Mr. President, yesterday's Washington Post included an article by Spencer Rich which summed up the feelings of many of my colleagues about Senator LLOYD BENTSEN.

Entitled "Soft Spoken Bentsen Gains Wide Respect in the Senate," the article predicts the Senator's hard work and followthrough will rapidly turn him into one of the Senate's brighter lights.

As one Senator who has had the opportunity to work with Senator BENTSEN when he was on the Armed Services Committee—and on my Research and Development Subcommittee—I heartily agree. Indeed, after 2½ years in the Senate, I

think Senator BENTSEN has already become one of our brighter stars.

I am delighted Senator BENTSEN's fine work has been recognized in the article in yesterday's Washington Post and I know my colleagues will want an opportunity to read the piece.

Mr. President, I therefore ask unanimous consent that the article be printed in its entirety at the conclusion of these remarks.

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

SOFT-SPOKEN BENTSEN GAINS WIDE RESPECT IN THE SENATE

(By Spencer Rich)

Although he is little known to the general public, Sen. Lloyd Bentsen, the quiet man from Texas, is rapidly winning widespread respect and admiration in the Senate, and may soon become one of its brighter Democratic stars.

Soft-spoken, hard-working, persuasive, extremely well organized and systematic and known as a follow-through man, Bentsen, 52, is already being talked about as a man of future leadership potential, although he has been in the Senate only 2½ years.

"Probably he is the best Democratic senator to come into the Senate in the last dozen years," said one Senate staff man who has seen them all for nearly two decades.

"He's the most promising first-term senator in the Senate—without question," said one high-ranking Democrat who asked not to be identified, lest his praise of Bentsen provoke the resentment of other freshmen.

"He's a heavyweight. He has made his mark as a speaker. He carries the ball intelligently and aggressively. When we're up against him we know we have to work," said Senate Minority Leader Hugh Scott (R-Pa.) recently.

Attractive Senate newcomers often lose their luster as time passes, their drive and enthusiasm fades and they settle down to a comfortable routine merely designed to get them reelected. This could happen to Bentsen—only time will tell—or he could conceivably reach for the presidency, as some think he may, and become singed and tarnished in the process, as has often happened to other men.

But so far, Bentsen looks good to his colleagues. What earns men Brownie points around the Senate is hard work, a certain willingness to give and take, a respect for democratic institutions, and forbearance from excessive showboating.

So far, Bentsen has demonstrated these qualities, plus a quiet but articulate manner of speaking which comes across extremely well both in person and on television, and a moderate political stance in which he has supported civil rights, Democratic economic programs and end-the-war legislation, while looking after the oil interests of his native state. Bentsen startled the Southern establishment last year when, in a move wholly unlike a junior Southerner, he opposed acceleration of the Trident submarine system. He had shocked it even more when he first came to the Senate with a strong but fallacious reputation as an arch-conservative, and promptly bucked the most ancient traditions of the South by voting to make it easier to cut off filibusters.

A close associate of Lyndon B. Johnson and John B. Connally in his earlier political career, and a sort of protege of famed Speaker Sam Rayburn during a 1949–55 stint in the House, Bentsen became an insurance millionaire (his net worth in 1971 was $2.4 million) and in 1970 tackled long-time liberal Democratic Sen. Ralph Yarborough (D-Tex.) for the Senate nomination.

In a rough campaign which polarized the positions of both men, Bentsen narrowly beat Yarborough in the primary and then went on to whip George Bush, now GOP national chairman, in the general election.

It was in these campaigns that Bentsen earned an exaggerated reputation as a conservative. It was widely expected in Washington that he would become a part of President Nixon's hoped-for "ideological majority" when he took office in 1971.

Arriving in Washington, he immediately held a news conference to announce that, while he didn't consider himself a liberal, he wasn't a fascist either, and if there was anything he could be labeled it was "moderate" and "regular Democrat."

"You know, when I was in the House I was one of only two Texas congressmen who voted against the poltax," he said in a recent interview. "The other was Albert Thomas, who represented a fairly liberal constituency in Houston. That doesn't sound like much now, but believe me, in those days it was something."

Bentsen emerged on the Senate Finance Committee this year as one of the strong men in support of the committee's pension reform bill. Those who worked with him said they were amazed at his knowledge of the technical aspects of pensions. "I did a lot of study on it," he said. "And I was in the insurance business, the banking business and the mutual fund business."

Although a freshman, he has been named chairman of the Senate Democratic Campaign Committee by Majority Leader Mike Mansfield (D-Mont.). He admits to being a good political fundraiser: "I'm pretty good at it. I work at it," he said. "As long ago as 1960, I was finance chairman for the Kennedy-Johnson ticket in Texas."

Bentsen is a millionaire and he doesn't hide it. He dresses conservatively but he rides around town in a big black car with a telephone. He has helped to hire extra staff with his private funds, and has recently taken on Ben Palumbo, a former aide to Sen. Harrison A. Williams Jr. (D-N.J.), as an "advance man" on some political matters. Palumbo is paid with money left over from a Bentsen campaign dinner.

Bentsen says Palumbo will help him with Senate Democratic Campaign Committee work. A number of others around the Senate think he may just be dreaming of the presidency—an idea Bentsen denies—and may be using Palumbo in a dual role.

When Bentsen first came to the Senate, he hired a systems analysis firm to analyze his employee needs and help him work out job descriptions for every function in his office, which has since won a reputation as one of the more smooth-running Senate operations.

Partisan politically but not on policy matters, Bentsen has often stood with the President on defense or other substantive issues. But on the Watergate tapes, "If the Supreme Court says that the President has to surrender those tapes, then he has to surrender them," he said. Refusal would be so destructive to our system of government that it could not go unchallenged, he contended.

Bentsen appears to have won widespread respect among conservative Democrats, substantial respect among moderates, and somewhat grudging if increasing respect, from the party's liberal wing, which doesn't completely trust him yet.

"He makes the right moves; he's smooth; so far he looks good. But I'm not clear about him yet," said one Northern Democrat. "I'll have to see him more. How much he gets through. How much staying power he has."

Bentsen disclaims national ambitions or the desire to run for a Senate leadership post, but leaves the impression his arm could be twisted.

"I'm enjoying myself working in the Senate. This (town) is the center of the world," he said, adding, "Am I running for President or Vice President? I'm not." But at another point he said: "Everyone in the Senate knows that the place you can influence the destiny of this nation most is there in the presidency."

TRANSPORTATION

Mr. MCGOVERN. Mr. President, members of the South Dakota Board of Transportation met in Sioux Falls with people from all walks of life to discuss what can be done to halt the deterioration of our Nation's transportation systems: The theme of the meeting was "Where Do We Go From Here?"

We in South Dakota have become more aware than most that the railroads must be saved. We need the rails to ship the grain and meat products we produce for consumers throughout the United States and to bring in the petroleum, machinery, and other things we need to do our jobs.

Our dependence on rail transport was dramatically illustrated this past summer when, because of improvident administration policies, we could not get the boxcars needed to ship our grain.

So while we recognize the contribution the truckers and the airlines have made to our country and our economy, we feel that railroads have a role to play which no other mode of transportation can replace.

So I welcomed the opportunity to report to this meeting what measures the Congress is considering to improve rail service and what I think can be done in this area. Mr. President, I ask unanimous consent that a copy of my statement be printed in the RECORD.

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

THE TRANSPORTATION CRISIS: WHERE DO WE GO FROM HERE?

When we talk about where we go from here as we consider transportation in South Dakota, we know the answer. We must go in a direction precisely opposite to the policies we have followed since the end of World War II. There must be more rather than less track mileage, more rather than fewer freight cars, more rather than less frequent service, and an end to the problems we had this year in getting our grain crop to market.

As I see it, there are three areas which need serious and prompt consideration: an immediate ban on all line abandonment; a plentiful supply of freight cars; and a careful study of the different alternatives the Federal government might adopt to help solve the crisis.

The importance of rail transportation in the United States is illustrated by the many bills which have been introduced in Congress dealing with its improvement, excluding those which have to do with railroad employees, wage bargaining, or pensions.

Senator Vance Hartke of Indiana has introduced a bill called the Midwest and Northeast Rail System Development Act. It provides for study of a restructured rail transportation system in the Midwest and Northeast regions of the nation in order to meet the present and future needs of commerce, the national defense, as well as the environment, the service requirements of passengers, mail shippers, States, communities and the public at large.

When the bill comes to the Senate floor, Senator Pearson will offer an amendment for the Northeast as a substitute to the Hartke bill. One of the Pearson provisions, called the Local Rail Services Act of 1973 authorizes federal subsidies of up to $50 million annually to make up for railroad losses

to avoid abandonment of unprofitable rail services which are essential to the local community. Thirty percent of the funds would come from State and local sources.

In contrast, the Hartke bill calls for a survey of existing rail transportation operations and facilities, an analysis of rail service needs and a study of methods of effecting economies in the cost of rail operations. On the basis of such surveys, the Congress could develop methods for accomplishing the transition from the existing, inefficient, unreliable and insolvent rail system to an efficient, reliable and financially supportable restructured system.

I am proposing an amendment to this bill which will do two things: extend the study to include the feasibility of the Federal government's purchasing rights-of-way, track and all appurtenances such as signal systems and bridges, except rolling stock, at the request of any railroad in the country, and then lease them back in return for a user's fee or other form of payment by the railroad. In this way, railroads could become more competitive with the airlines and truckers; the former receive Federal support for airport construction and the latter benefit from the highways and roads, which are built and maintained through gasoline taxes, license fees and tolls.

I also think that the Federal government should take an active part in seeing to it that the supply of boxcars is sufficient, that it undertake research to have manufactured the most efficient kinds, and that some workable method is devised so that the cars can be distributed in the quantities needed as demand peaks in various areas during certain seasons of the year.

All of this may take some time to accomplish. But in the meantime, we must have a moratorium on all line abandonment. For I am convinced that every mile of track lost in South Dakota and in many other States will have to be replaced at some future date. And when it is, the cost of doing so will be far greater than what I propose.

The public interest demands that we prevent the collapse of our railroads. For no matter how efficient our air and truck transport may be, there are certain things which only our railroads can do. And if Federal airport and highway aid has made railroads unprofitable then the answer lies not in hurting those industries but in helping the railroads to efficiently answer the people's needs.

MOORE-McCORMACK

Mr. LONG. Mr. President, enactment of the Merchant Marine Act of 1970, nearly 3 years ago has set us on the greatest peacetime program of shipbuilding in our history. Hopefully, when we commemorate the 200th anniversary of the birth of the United States, we will be able to look with pride on our fleet as being one of the most modern and efficient in the world.

The Congress has done its part in assisting our maritime industry in rebuilding our fleet. Now the management leadership of the industry must meet the challenges of international competition and operate these vessels on an efficient and profitable basis. Without profits our efforts in passing the 1970 act will have been in vain.

The New York Times earlier this month described the upward turn in the operating results of Moore-McCormack Lines, under the leadership of its president, James R. Barker. I ask unanimous consent that this article be printed in the RECORD.

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

A CURE FOR MOOREMACK: RUBBING BUDDHA'S BELLY SEEMS TO PAY OFF

(By William D. Smith)

Late one night in January, 1971, James R. Barker placed himself in front of the fire in his home to contemplate a question that almost every man broaches seriously at least once: "What do I really want to do with my life?"

But Mr. Barker's contemplative sojourn lasted only as long as it took to pose the question.

The reply was instantaneous: "I want to take a crack at running a steamship line."

The query and the reply were not mere conjecture. Earlier in the evening the 35-year-old management consultant had been offered a job as chairman and chief executive officer of the Moore & McCormack Comapny, Inc., one of the most famous names in American shipping.

Moore-McCormack still had the name, but through the years it had gradually been losing the financial game. In 1970 it lost $17.1-million.

"Most of American shipping was ailing, and Mooremack was a perfect case in point of an industry and a company unable to cope with changing circumstances," Mr. Barker recalled.

Rather than try to create a turnabout situation, when he took the job in February, 1971, Mr. Barker began turning the company inside out. He has eliminated such businesses as the time-honored passenger liner service and has entered such new fields as mining and energy.

"I see the future of Moore-McCormack as a transportation and natural-resource company with planned and programed synergism between the two components," Mr. Barker said.

Mr. Barker had detailed a 14-point program for survival to the Mooremack board while employed as a consultant. Although the program contained some bitter pills such as cutting back personnel, the directors decided that it was the medicine needed to cure the corporation's malady and that the man to administer it was the man who had devised it.

Thus far the figures indicate that the prescription is working. Earnings moved into the black in 1971 with a net income of $2.11-million and tripled to $6.45-million in 1972, including an extraordinary credit of $2.75-million. In the first six months of 1973 Mooremack had profits of $4.88-million, double the $2.01-million of the first half of 1972.

Mr. Barker predicts profits of more than $8-million for this year. Furthermore, he believes his goal, a growth rate of 15 per cent a year, "is attainable given the base we have and our program for the future."

Moore-McCormack's head man, a broad-framed six footer, made all state in the tough battle grounds of Ohio high-school football. He talks softly with rather a gravelly voice.

Mr. Barker has a touch of the old-fashioned "Protestant ethic" in that he believes firmly that doing a good job and fighting the good fight are rewards in themselves.

But he prides himself on being a pragmatist. "I think I have the ability to size up a situation and act upon it in a rational fashion," he commented. Yet he never fails when lunching with other shippers at the India House to rub the belly of the statue of Buddha that stands in the entrance way, the traditional ship owners' good-luck gesture.

Mr. Barker says that much in his early life pointed to a career in shipping and "I took the hint."

During childhood he spent summers with his uncle, a boat captain in Sault Ste. Marie, Mich., and when he was old enough for summer work, he got jobs on ships plying the Great Lakes trade.

After graduation from Columbia College in 1957, Mr. Barker became a Coast Guard officer and returned to Sault Ste. Marie.

"As executive officer under a very tough skipper, I became deeply involved in all the operational problems of the ships, their captains and their owners. I worked damn hard, but was more than adequately paid back with a fine practical education," he recalled.

His next move was to the Harvard Graduate School of Business Administration, where he hoped to learn to "bring a rational systems perspective to a rather tradition-bound business."

He found what he wanted, particularly under the guidance of Prof. Paul Cherington, who "had a fantastic influence on my life and outlook."

After graduation Mr. Barker went to work for Pickands Mather & Co., a major raw-materials production and shipping company in the Great Lakes area and ironically one that had turned him down for a summer job the year before.

"I knew what I was looking for and I am the persistent type," he explained. During four years at Pickands Mather, Mr. Barker did everything from financial analysis to helping the personnel manager crew boats.

"The most significant intellectual accomplishment of my whole life was the construction of a mathematical model of the company," he said. "It worked then and is still working, allowing the company to pick from numerous options the best alternative for both its 13-ship fleet and its production activities."

Next he joined Professor Cherington, at Harbridge House, a management consulting firm, as a transportation specialist. In January, 1970, with Carl Sloane and Peter Temple, he formed a new management consulting firm. Moore-McCormack hired Temple, Barker & Sloane four months later to evaluate its problems.

"This wasn't too hard to do really. They stared you right in the face." He ticked them off:

The impracticality of passenger shipping. Mooremack had two liners laid up at an annual cost of $1.5-million.

A rate war in the North Atlantic. The company has since quit the run.

Containerization, which had not yet begun to pay off.

Serious difficulties in the South American and African cargo trade.

"The problems were such that only a total restructuring would do the trick," he said. "Anything less and Moore-McCormack would probably not be here today."

When he joined the company, Mr. Barker said, "My job was to protect the assets of the company in its weakened position from raiders, while turning it toward the future, as we saw it, as a water-transportation and natural-resource operation."

Mr. Barker said the company had these needs:

Credibility in the natural-resource business.

A management group to develop new projects.

Earnings to support it as it moved toward its long-term goals.

Mr. Barker moved on several fronts. The two laid-up passenger ships were sold for about $20-million. The asset base was strengthened by negotiating a new agreement with the Maritime Administration for an interim capital construction fund, freeing $26-million for developing as a transportation and water-resources company.

The cargo routes it kept posted a 54 per cent increase in operating profits, propelled by agreements with Brazil, one of the world's largest and fastest-growing economies. Simi-

lar agreements are being negotiated with Argentina.

Vessel utilization was improved by increasing containerization of cargo to more than 70 per cent from less than 60 per cent in 1971.

Most startling, Mr. Barker returned to Pickands Mather—but as a buyer. Mooremack bought the company, except some of its chemical operations, from Diamond Shamrock for $66-million in December, 1972.

"We had a list of eight companies that might give us credibility in the natural-resource field. P.M. led the list, and we had our vehicle for growth, as well as credibility and solid management, he said.

Besides running its Great Lakes fleet, Pickands Mather operates iron, coal and other mineral mines around the world both for its own account and for others. It is the world's sixth largest iron-ore producer. In April the company and the South Carolina Electric and Gas Company announced plans for a synthetic natural-gas plant costing $10-million.

In early July Pickands Mather and the Bethlehem Steel Corporation announced plans to invest $150-million in the construction of a new large scale iron-ore pelletization complex at Hibbing, Minn.

Late in July the company announced that it would build three tankers costing in excess of $63-million.

"Obviously we are interested in joint ventures, Mr. Barker said, "They allow us to get maximum benefit from our capital, as well as get into more fields because of the variety of expertise we now offer."

Mr. Barker plans for the company to begin reaching its potential in 1976 and between now and then "to just get increasingly profitable."

"Our plans will require capital. In the present market it is very difficult to raise money," he observed. "If companies like ours with a very promising future can't raise money, then economics will have it that the growth of the country itself must certainly slow."

Mr. Barker lives with his wife, and three children in Darien, Conn., to be near the water, although he finds little time to sail his boat, an ensign. It may be because he practices his own basic principle of management—"work your tail off."

He commented, "Businesses aren't run by geniuses. It is a matter of putting one foot after another in a logical fashion. The trick is in knowing in what direction you want to go."

PEACE—ONE CITY, ONE NATION, ONE WORLD

Mr. HARTKE. Mr. President, in 1798, Dr. Benjamin Rush, a signer of the Declaration of Independence, and later Treasurer of the United States, proposed that a Department of Peace be established at the cabinet level of the new government.

Since then, the proposal has been introduced in nearly every Congress. I, along with the distinguished Senator from West Virginia (Mr. RANDOLPH) introduced S. 1024 in the 93d Congress.

Mr. President, perennially elusive peace throughout the world deserves more than the silent treatment. Now, that the United States is no longer involved in a conflict of violence, the concept of "World Peace" has left our mind, only to be restored if we again engage in hostilities.

Under my proposal, peace would be as important a concept of discussion as defense. Let me remind my colleagues of the time and energy that we are now expending on the floor of the Senate to determine how much money shall be spent or how many weapons shall be produced—weapons that only kill.

Mr. President, I would like my colleagues to consider the expenditure of $633 million for an airplane, the F–14, that the Navy neither needs nor is sure will be functional and the expenditure of $1.147 billion for an airplane, F–15, for the Air Force which is not close to perfection in the design stage. The Congress is going to spend nearly $2 billion for weapons that are not perfected while they are unable to see the utility of an expenditure for the establishment of a Department of Peace.

If the questionable expenditure of vast sums to carry-on war is plausible, then, I ask my fellow Senators, is not the establishment of an academy to further peace as worthy an expenditure of the taxpayers' dollars.

Mr. President, peace may not come to the world in our generation, or our children's generation, but unless man begins to think in terms of peace, instead of violence and weapons, we will never have peace.

I ask unanimous consent that an article by Nachman M. Gerber appearing in the February 1973, issues of Current magazine, be printed in the RECORD.

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

[From Current magazine, February, 1973]

TOWARD A CITY OF PEACE

(By Nachman M. Gerber)

(NOTE.—Mr. Gerber, a Baltimore, Maryland business man and president of the foundation, Peacefully Yours, Inc., offers suggestions for raising our consciousness about peace through educational efforts, new institution building and creating a wholly new Peace City in the United States. Adapted from "Peace in the Twentieth Century," an address by Nachman M. Gerber to the International Convocation 1972, Education for Peace, Manhattan College, Bronx, N.Y., Oct. 14, 1972.)

In this troubled times, when peace is so sought after, why is it so elusive? To sum up an answer in a few words, the peoples of the world, accept historical values which revolve around a philosophy of war and all its derivatives. This covers almost every aspect of living, including relations among nations, our economic systems and production of munitions for war, and keeping a large percentage of the world's population poor, hungry and illiterate.

As a result of the perpetuation of such philosophies, the world's people elect or accept men and women for leaders of their governments who also believe these philosophies and in their leadership keep some part of the world at war at all times.

ON CHANGING VALUE SYSTEMS

How can this seemingly all-pervasive system of values be reevaluated and redirected? Obviously no easy or quick answers are available. But as President Dwight Eisenhower said in 1955 to the British Prime Minister Harold Macmillan: "One day the peoples of the world will want peace so badly, the governments better get out of the way and give it to them."

Embedded in these words which, on the surface, appear all to simplistic, is a deep understanding that value systems centuries old can change and be supplanted by philosophies and modes of living which will demand a peaceful arena in international affairs.

And the time now seems ripe for setting in motion certain measures which can lead to reevaluation and redirection of man's dream for peace. Such measures must inevitably bring forth new institutions dedicated to peaceful endeavor. They must also lead to new systems of education and reeducation for peace. And such beginnings must provide for an appropriate symbolism of peace to replace the overriding militaristic thoughtways and veneration of war we still endure.

Perhaps the latter is of prime importance of all the steps we could now take. I discuss it last, however, in suggesting the creation and building of Peace City, because such an endeavor would be not only novel but all-embracing and thus a fitting and unifying symbol for peace. The new institutions and educational steps we should undertake are more straightforward to sketch in outline.

NEW PEACE INSTITUTIONS

On the institutional side, I suggest we create forthwith three new governmental agencies. First, the President and Congress should create a Department of Peace as a cabinet level institution. Second, our government and all governments where possible should set up Peace Research Institutes. And third, that a Peace Academy be established, comparable to the Army's Academy at West Point. the Naval Academy at Annapolis and the Air Force Academy at Colorado Springs.

The Department of Peace should have regular cabinet status, and oversee at least the initial establishment of a United States Peace Research Institute. For reasons of adequate funding such an institute should probably be maintained as an official government agency. What autonomy it should have from the Department of Peace is only one of many organizational problems involved in setting up these new institutions. Obviously prolonged analysis and decision-making would be involved in creating the new cabinet department. What functions would the present Secretary of State and the State Department continue to fulfill?

Such questions need debate, but they raise the fundamental issue of what purpose a new Department of Peace should fulfill. Of highest importance again, it seems to me, is the fact that by its very existence a Peace Department would symbolize our government's serious concern for the problems effecting peace. A Secretary of Peace could be expected continuously to bring to cabinet level attention the problems of peace and solutions to them that are now often considered only in traditional national state versus national state terms or in military perspective.

If such a Peace Department would raise to the highest level a constant and overt dedication to peace, so too a Peace Research Institute, adequately funded, could undertake significant and broadbased research on problems of peace that are now only fitfully under study in private peace organizations or through private scholarly research. Such Peace Research Institutes should be established in many other countries.

THE ROLE OF A PEACE ACADEMY

In suggesting the establishment of a Peace Academy, comparable to our present military service academies (and also a four-year academy), I have in mind not only a training center for personnel of a Department of Peace, the State Department, our diplomatic and consular services, but also personnel destined for careers in the various United Nations agencies and private or public agencies like the Peace Corps. True, many of our universities now function as training grounds for such personnel. But I have no doubt that future needs in this area will provide a significant place for such an academy. Such an academy should also be duplicated in other countries.

Moreover, I would hope that the Peace Academy (and its counterparts in other countries) could perform an additional and wholly new service. It should be required, through legislation, that every leader of each

government take course work at the Peace Academy of his or her nation, and if no such academy exists, then such leaders should attend an academy of another country. This training should be required of high administrative officials, members of Congress or comparable bodies, and also members of state and local governments where a need for peace orientation is indicated.

Such an effort in leadership education for peace orientation is but the capstone of a vast system of education and reeducation for peace that is needed throughout the world and from elementary through college and graduate educational levels. Certainly one of the first tasks that could be undertaken by the Peace Research Institutes would be the designing of curricula for all such educational levels.

In short space it is not necessary to detail what educational areas need attention. Some new thinking about peace education has in recent years begun to appear in the work of social scientists. Much more is needed if the tradition-bound ideas associated with different peoples, different cultures, nationalism, economic rivalry and the like are to be redirected toward peaceful cooperation.

New educational programs on a far vaster scale than are now available should also be founded. For example, I suggest a Peace Central be established as a worldwide organization to promote contact between and among millions of youngsters through correspondence and visits with their peers.

Fundamentally, all of the above suggestions have one common denominator—the effort to raise our consciousness about peace, through childhood and adult education and a new education for leadership, but also through new institution building for peaceful orientation.

A VIABLE PEACE CITY

Last, I suggest the creation of Peace City to be located not far from Washington, D.C. (In due course such cities could hopefully be built in other countries as well.)

Such a city should become the symbol of peace for all citizens. It should rival and surpass in beauty and meaning the countless symbols we have raised to wars and war heros. It should certainly include a Peace Hall of Fame where a beginning can be made to laud the efforts for peace. Great religious figures. Nobel Peace Prize winners and others from all cultures and times who have contributed to peace could be enshirned in such a Hall of Fame.

But Peace City should be a viable, functioning city in which the dominant activities relate to peaceful pursuits—the study and research about peace, the training of students and leaders in peace orientation and executive, administrative and other legal activities related to peace. As such Peace City should provide the site for the Department of Peace, the U.S. Peace Research Institute, the Peace Academy and Peace Central, all mentioned above.

As a viable city, it can take its place as one of the new cities America must build in any case in the next decade or two for reasons of population growth. For similar reasons, the building of viable Peace Cities in many other countries would appear to be quite practicable.

But above all Peace City, and the vital peace activities it would encompass, would raise to a level never heretofore accomplished a symbol of peace which would alone aid mightily in redirecting our thoughts and modes of living towards peace and away from the time-honored subjugation to war.

HEARINGS ON "AMERICAN FAMILIES: TRENDS AND PRESSURES"

Mr. MONDALE. Mr. President, this week the Subcommittee on Children and Youth, which I chair, has been holding overview hearings on "American Families: Trends and Pressures."

During these hearings we have received extremely valuable testimony from a variety of individuals and groups concerning the needs of families and children in America, the extent to which governmental policies are helping or hurting families, and what kinds of support systems should be available.

In order that these recommendations be available to the Congress and to the public, I ask unanimous consent that the prepared statements of the witnesses who appeared at the second day of our hearings be printed in the RECORD.

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

STATEMENT BY DR. MARGARET MEAD

I wish to congratulate Senator Mondale on his forward-looking recognition of the changes that are going on in the United States and the overriding importance of the well-being of the American Family.

Our people are in a parlous state; millions are undernourished, three million door step children roam the country with no one responsible for them, our small fragile defenseless families are breaking up, lacking support, or protection from neighbor, kin, community or the nation, our old people are ending their lives in squalor and misery. Those on whom a country must rely for its well being, the hundreds of thousands professionally engaged in caring for and teaching children, helping families, finding meaningful career paths for youth, and giving meaning to the life of the elderly, are in dispair. They have watched us steadily deteriorate from a people who came out of the Depression and World War II more determined than we had ever been that no child would ever go hungry, no sick person unattended, no youth without someone accountable, no working father unable to care for his children, no abandoned mother with no way of caring for her children while she worked, no grandparent left with empty hands. Beginning with the Depression the nation had steadily assumed responsibility for every man, woman and child, within our borders.

And for twenty-five years we have watched ourselves sliding into a pit of deterioration, corruption, apathy, indifference and outright brutality towards the weak, the sick, the young and the poor.

But as more children went hungry, more old people uncared for, more families broke up, there were also thousands of efforts, at local, state and federal level to do something about our cities falling into ruins that breed crime and misery, our alienated young people, our disappointed minorities, our rural poor. Each new effort brought hope that some solutions would be found. But the efforts at amelioration often made matters worse, raised expectations that could not be fulfilled, cancelled each other out. We looked back on the great reform efforts of the early quarter of this century and watched them go sour, as children's detention homes, meant to rescue children from prisons, proved training grounds for crime, as junior high schools meant to relieve the pressure of mammoth senior high schools instead isolated together children least fitted to be together, and as the move of parents to the suburbs—for their children's stake—ended in the destruction of the city and the loneliness of the suburbs where friendless young mothers went into post partum psychosis, and the children of the affluent took to drugs and petty thrill-producing crime.

Whether the efforts came from small communities or from federal initiative, they bred both hope and dispair, for there was still a sense that something was happening, that there might be now towns that were communities, schools where children were not placed on a single ladder where all who did not fit were branded as failures, efforts to recompense the culturally disadvantaged for homes where no one had time to talk to them.

Then came 1973, and we saw the whole system of Federal provision for people, for people who were poor, or unfortunate, for children and young families and the lonely, old, impoverished being dismantled almost over night. And the dismantling had echoes within every matching state and local program, compound of uncertainty about what revenue sharing meant, and inability to deal with the results of inflation. Welfare limits were raised. Before all the children who should have had school lunches ever got them, recent cuts will reduce the rolls of hungry children—it is estimated—by 800,000. Hundreds of thousand of eager workers, who have been recruited in the new belief in community participation and para-professionals, have lost their jobs. Students who had planned to go to college find no way to go. And families, families that are absolutely crucial to the health of the nation, crumble under burdens too great to bear; housing programs that force men to desert their wives so their children won't go hungry, welfare that degrades, prisons filled with those who have never been found guilty but cannot furnish bail, while money and research goes not to new ways of finding unpolluting energy for our homes, but to more rapid ways of devastating our landscape, not to a better understanding of children but to better ways of suppressing the symptoms of dispair which own our policies have evoked, by training more police and providing new methods of surveillance.

The country is in terrible disarray. Richest and strongest of nations we may be, but we seem to have lost any concern for those who are young or weak, old or poor.

Out of this debacle there must come something new, some new recognition of how we can strengthen and support our families, rebuild our communities, bring the old people back into the community to be useful and warm to the young, provide many kinds of education instead of only one, stop giving priority to miles and miles of cement above the well being and safety of our children.

It will not be enough to humanize the new "Federalism," to invoke help in the courts to get us back where we were before the dismantling began, before more babies began to die, and old people gasp and choke to death with our polluted cities. Because where we were was not good enough; where we were very ill befitted our wealth. Our steadily rising GNP dismally matched our steadily rising rate of meaningless imprisonments for the young and the poor, the black and the brown, steadily rising divorce, steadly rising number of children irretriveably and irreversibly mared by malnutrition in infancy.

Out of the depths into which our Nation concern for people has sunk, we may now begin to face a need that has been recognized for a quarter of a century, but for which we may now be ready, the need as Dr. Zigler expressed it yesterday, for an overall policy on the family, the need for some kind of family *well being impact statement.*

In 1944, I visited an exhibition of new well designed kitchen equipment, highly approved and backed by the Home Economic Departments. But within these white and convenient fixtures there was no place for a baby, nowhere to hang it up, sit it, or let it lie down. I asked why and the answer was revealing, "Because there is no Bureau of Family Life within the United States Department of Agriculture." And so, there was no place for the baby. Unless there is a central spot from which the well being of the family, the impact on the family of every

piece of legislation every program . . . there will indeed be no place for the baby—neither in federal programs, now in the concern of the nation. Such a statement of the impact of federal legislation and programs on the well being of the American family would have enormous consequences. On the one hand, we could look at things like urban renewal that breaks up communities and makes thousands homeless, at freeways that cut communities in half and leave once happy homes abandoned and burning, tax laws which bear unfairly on young families and on women who have to work, provisions for medical care that tangle the elderly and less educated up in bundles of red tape. And we would look also at the benevolent legislation—when such legislation is revived—to evaluate whether we had not been taking too many children out of their homes into institutions, rather than providing support for frantic, desperate families from which adolescents run away, and within which little children are abused. We can now take into account both the dreadful consequences of valuing balancing a budget more than caring for people and cutting services to human beings to save funds for oil subsidies, strip mining, more and more deadly weapons. And we can take account of criticisms which have been levied against our schools, our hospitals, our housing programs, our youth hostels, our rehabilitation centers, our half way houses, our day care centers. While things seemed to be going in the right direction, those who cared deeply for the fate of the mothers and infants were loathe to attack many practices which they felt were undesirable. But now, when hope is almost dead, we need not be afraid that criticism will damage the dying programs. Instead we can start to plan in a much more coherent and responsible way, placing the family and its needs at the center, scrutinizing every kind of legislation, every kind of program for what it will mean to the well being of the family.

We can ask, is there anything about this proposal that will force young people to marry too early or prevent them from marrying at all, that will hinder their finding a home in which to raise their children, that will help or hinder each young man who wants to learn to do some kind of work, that will penalize or help a working woman left with the care of her children, that will help or hinder early diagnosis of handicap, that will provide or reduce the possibility for every child's adequate nutrition, that will create, or destroy, communities within which families can be given support and help, that will mean better schools, more diversified schools, or schools which force all children into the same mold. We can start now to develop a national policy on the family which will be far better than anything that we as a nation have ever done—knowing that as the family goes, so goes the nation.

TESTIMONY BEFORE THE SENATE SUBCOMMITTEE ON CHILDREN AND YOUTH

(By Urie Bronfenbrenner, Professor Human Development and Family Studies and Psychology, College of Human Ecology, Cornell University, Ithaca, N.Y.)

SEPTEMBER 25, 1973.

Mr. Chairman, two years ago, at the first hearings conducted by this Subcommittee, I presented evidence of what I viewed as a disturbing trend in the position and prospects of the American family and its children. I then went on to speak with some optimism of policies and programs—some already in force, others clearly on the horizon—which could counteract the trend, and perhaps even reverse it.

I appear before you today a more sober man. The disturbing trend to which I called the Committee's attention has increased, and so has the evidence for its course and its consequences. But I can claim poor credit as a prophet, for the policies and programs that I saw on the horizon have turned out to be not a rising sun, but a falling star, barely perceptible by its now cold, reflected light.

I speak today, perhaps not with optimism, but yet with hope. For as we have gained more knowledge about our growing problems, we have learned more as well about their possible solution. Some of these solutions lie within the purvey of the Federal government, not only directly through its legislative and executive powers, but also indirectly through its influence as a voice of national leadership and, I would add, by example, as the nation's top employer and administrator.

But first, I will speak to the broader issue to which these hearings are addressed: trends and pressures affecting American families.

The winds of change

The most important fact about the American family today is the fact of rapid and radical change. The American family of 1973 is significantly different from what it was only a quarter of a century ago. Witness the following statistics:

In 1971, 43 percent of the nation's mothers worked outside the home. In 1948, the figure was only 18 percent. The greatest increase has occurred for mothers of preschool children. One in every three mothers with children under six is working today. In 1948 the figure was one in eight. Now there are more than 5,600,000 children under six whose mothers are in the labor force. This figure represents over a quarter of all the nation's children under six years of age.

As more mothers go to work, the number of other adults in the family who could care for the child has shown a marked decrease. For example, fifty years ago in the state of Massachusetts, 50 percent of the households included at least one other adult besides the parent. Today the figure is only 4 percent.

The divorce rate among families with children has been rising substantially during the last twenty years. The percent of children from divorced families is almost double what it was a decade ago. If present rates continue, one child in six will lose a parent through divorce by the time he is 18.

In 1970, 10 percent of all children under six—2.2 million of them—were living in single parent families with no father present in the home. This is almost double the rate for a decade ago. Moreover, almost half of the mothers in single parent families are now in the labor force, and a third of them are working full-time.

In 1970, the average income for a single-parent family with children under six was $3100—well below the poverty line. Even when the mother worked, her average income of $4200 barely exceeded the poverty level. Among families in poverty, 45 percent of all children under six are living in single-parent households; in non-poverty families, the corresponding figure is only 3.5 percent.

Of the 5.6 million preschool children whose mothers are in the labor force, one million live in families below the poverty line (e.g. income below $4000 for a family of four). An additional one million children of working mothers live in near poverty (income between $4000 and $7000 for a family of four). All of these children would have to be on welfare if the mother did not work. Finally there are about 2.5 million children under six whose mothers do not work, but where family income is below the poverty level. Without counting the many thousands of children in families above the poverty line who are in need of child care services, this makes a total of about 4.5 million children under six whose families need some help if normal family life is to be sustained.

The situation is especially critical for the families of Black Americans:

Of all Black children, over half (53 percent) live in families below the poverty line; the corresponding figure for Whites is 11 percent.

Of all Black children, almost half (44 percent) have mothers who are in the labor force; the corresponding figure for Whites is about a quarter (26 percent).

Of all Black children, over 30 percent live in single-parent families; the corresponding figure for Whites is 7 percent.

The census does not provide comparable information for other groups living under duress, such as American Indians, Mexican Americans, Whites living in Appalachia, etc. If and when such data become available, they are likely to show similar trends.

Among families that are intact and well-off economically, and, of course, predominately White, research results indicate that parents are spending less time in activity with their children.

For example, a survey of changes in child-rearing practices in the United States over a 25-year period reveals a decrease in all spheres of interaction between parent and child. A similar trend is indicated by data from cross-cultural studies comparing American families with their European counterparts. Thus in a comparative study of socialization practices among German and American parents, the former emerged as significantly more involved in activities with their children, including both affection and discipline. A second study, conducted several years later, showed changes over time in both cultures reflecting "a trend toward the dissolution of the family as a social system," with Germany moving closer to the American pattern of "centrifugal forces pulling the members into relationships outside the family." (Rodgers, 1971)

THE ECOLOGY OF FAMILY AND CHILD

Although the nature and operation of these centrifugal forces have not been studied systematically, they are readily apparent to observers of the American scene. The following excerpt from the report of the President's White House Conference on Children summarizes the situation as seen by a group of experts, including both scientists and practitioners.

In today's world parents find themselves at the mercy of a society which imposes pressures and priorities that allow neither time nor place for meaningful activities and relations between children and adults, which downgrade the role of parents and the functions of parenthood, and which prevent the parent from doing things he wants to do as a guide, friend, and companion to his children . . .

The frustrations are greatest for the family of poverty where the capacity for human response is crippled by hunger, cold, filth, sickness, and despair. For families who can get along, the rats are gone, but the rat-race remains. The demands of a job, or often two jobs, that claim mealtimes, evenings, and weekends as well as days; the trips and moves necessary to get ahead or simply hold one's own; the ever increasing time spent in commuting, parties, evenings out, social and community obligations—all the things one has to do to meet so-called primary responsibilities—produce a situation in which a child often spends more time with a passive babysitter than a participating parent. (Report to the President, 1970, p. 242)

The forces undermining the parental role are particularly strong in the case of fathers. For example, although in one interview study of middle class families fathers reported spending an average of 15 to 20 minutes a day playing with their one year old infants (Ban and Lewis 1971), an observational research revealed a rather different story:

The data indicate that fathers spend relatively little time interacting with their infants. The mean number of interactions per

day was 2.7, and the average number of seconds per day was 37.7. (Rebelsky and Hanks, 1971, page 65)

Another factor reducing interaction between parents and children is the changing physical environment in the home. For example, a brochure recently received in the mail describes a "cognition crib" equipped with a tape recorder than can be activated by the sound of the infant's voice. In addition, frames built into the sides of the crib permit insertion of "programmed play modules for sensory and physical practice." The modules come in sets of six, which the parent is "encouraged to change" every three months so as to keep pace with the child's development. Since "faces are what an infant sees first, six soft plastic faces . . . adhere to the window." Other modules include mobiles, a crib aquarium, a piggy bank and "ego building mirrors." Parents are hardly mentioned except as potential purchasers.

Although no systematic evidence is available, there are indications that a withdrawal of adults from the lives of children is also occurring outside the home. To quote again from the report of the White House Conference:

In our modern way of life, it is not only parents of whom children are deprived, it is people in general. A host of factors conspire to isolate children from the rest of society. The fragmentation of the extended family, the separation of residential and business areas, the disappearance of neighborhoods, zoning ordinances, occupational mobility, child labor laws, the abolishment of the apprentice system, consolidated schools, television, separate patterns of social life for different age groups, the working mother, the delegation of child care to specialists—all these manifestations of progress operate to decrease opportunity and incentive for meaningful contact between children and persons older, or younger, than themselves. (Report of Forum 15, page 2)

This erosion of the social fabric isolates not only the child but also his family. In particular, with the breakdown of community, neighborhood, and the extended family, and the rise in the number of father-absent homes, increasingly greater responsibility has fallen on the young mother. In some segments of the society, the resulting pressures appear to be mounting beyond the point of endurance. For example, the growing number of divorces is now accompanied by a new phenomenon: the unwillingness of either parent to take custody of the child. And in more and more families, the woman is fleeing without waiting for the mechanism of a legal or even agreed upon separation. Increasing numbers of married women are being reported to police departments as missing. Although no national statistics are available, news media have reported a "quantum leap" in the number of runaway wives whom private detectives are hired to retrieve by the fathers who are left with the children.

Systematic data are at hand, however, to document an increase in a more gruesome trend.

The killing of infants under 1 year of age—infanticide—has been increasing since 1957. Although the number of infant homicides accounted for only 2.2 percent of the total homicides in 1964, the rate of 5.4 deaths per 100,000 population was higher than that for all persons aged 55 years and over. The 74 percent increase from 3.1 in 1957 placed infanticide in 1964 at the highest level recorded since 1945. (U.S. Department of Health, Education, and Welfare, 1967.)

This increase may, of course, be partly due to more accurate registration; no tests of the extent of underreporting of this cause of death have been made. It should be noted that the rate of increase of such deaths is significantly greater than for all other age groups.

A similar pattern appears for less violent forms of child abuse involving bodily injury. A recent survey of over 1300 families (Gil 1970) estimated 2 to 4 million cases a year, with the highest rates occurring for the adolescent age group. More significantly, over 90 percent of the incidents took place in the child's home. The most severe injuries occurred in single parent homes and were inflicted by the mother herself, a fact which reflects the desperation of the situation faced by some young mothers today.

Even in intact families the centrifugal forces generated within the family by its increasingly isolated position have propelled its members in different directions. As parents, especially mothers, spend more time in work and community activities, children are placed in or gravitate to group settings, both organized and informal. For example, between 1965 and 1970 the number of children enrolled in day care centers doubled, and the demand today far exceeds the supply. Outside preschool or school, the child spends increasing amounts of time solely in the company of his age mates. The vacuum created by the withdrawal of parents and other adults has been filled by the informal peer group. A recent study has found that at every age and grade level, children today show a greater dependency on their peers than they did a decade ago. A parallel investigation indicates that such susceptibility to group influence is higher among children from homes in which one or both parents are frequently absent. In addition, "peer oriented" youngsters describe their parents as less affectionate and less firm in discipline. Attachment to age-mates appears to be influenced more by a lack of attention and concern at home than by any positive attraction of the peer group itself. In fact, these children have a rather negative view of their friends and of themselves as well. They are pessimistic about the future, rate lower in responsibility and leadership, and are more likely to engage in such anti-social behavior as lying, teasing other children, "playing hooky," or "doing something illegal." (Siman 1973.)

The roots of alienation

What we are seeing here, of course, are the roots of alienation and its milder consequences. The more serious manifestations are reflected in the rising rates of youthful runaways, school drop-outs, drug abuse, suicide, delinquency, vandalism, and violence documented in charts and tables specially prepared for the White House Conference on Children (Profiles of Children, pp. 78, 79, 108, 179, 180) and more recent government publications (Report of the New York State Commission, 1973). According to these data the proportion of youngsters between the ages of 10 and 18 arrested for drug abuse doubled between 1964 and 1968; since 1963, juvenile delinquency has been increasing at a faster rate than the juvenile population; over half the crimes involve vandalism, theft, or breaking and entry; and, if the present trends continue, one out of every nine youngsters will appear in juvenile court before age 18. These figures index only detected and prosecuted offenses. How high must they run before we acknowledge that they reflect deep and pervasive problems in the treatment of children and youth in our society?

What is the ultimate source of these deep and pervasive problems? Where do the roots of alienation lie? Scientific studies of human behavior have yielded few generalizations that are firmly grounded in research and broadly accepted by specialists in the field. But there are two answers to the foregoing questions that do meet these exacting criteria. Moreover, the two conclusions are directly relevant to the concerns of this Committee.

1. Over the past three decades, there have been literally thousands of investigations conducted to identify the developmental antecedents of behavior disorders and social pathology. The results of these researches point to the almost omnipresent overriding factor—family disorganization.

2. Many of these same researches also reveal that the forces of disorganization arise primarily not from within the family itself, but from the circumstances in which the family finds itself and the way of life which these circumstances, in turn, impose.

Specifically, when these circumstances, and the way of life which they generate, undermine relationships of trust and emotional security between the family members, when there is no support or recognition from the outside world for one's role as a parent, and when time spent with one's family means frustration of career, personal fulfillment, and peace of mind—it is then that the development of the child becomes adversely affected. The first symptoms occur in the emotional and motivational sphere and are manifested in disaffection, indifference, irresponsibility, and inability to follow through in activities requiring application and persistence. In less favorable family circumstances, the reaction takes the form of antisocial acts injurious to both self and society. Finally, for children who come from environments in which the capacity of the family to function has been most severely traumatized by such destructive forces as poverty, ill health, and discrimination, the consequences for the child are seen not only in the spheres of emotional and social maladjustment, but also in the impairment of that most distinctive human capacity—the ability to think, to deal with concepts and numbers even at the most elementary level. The extent of this impairment in contemporary American society, and its roots in social disorganization, are reflected in recent studies conducted at national and state levels. Two reports from the National Health Survey describe intellectual development and school achievement as a function of demographic and socioeconomic factors in a probability sample of over 7000 children 6–11 years of age. Differences were assessed across region, race, size of place of residence, degree of educational mobility, income, and parents' education. Although substantial variation was found across each of these domains, the most powerful predictors of school achievement were parental education and income.

Proficiency in two skills—reading and arithmetic—was most strongly associated with educational level of the children's parents and nearly as closely with their family income. These relationships are both substantially greater than that found with race. If the racial and regional influences are removed, the degree of association of school factors is reduced only slightly. (U.S. Department of Health, Education, and Welfare, 1971, page 26.)

Confirmatory results are available from a New York State survey. In a study of over 300 schools, 58% of the variation in student achievement was predicted by three socioeconomic factors—broken homes, overcrowded housing, and education of the head of the household . . . When the racial and ethnic variables were introduced into the analysis, they accounted for less than an additional 2 percent of the variation. (New York State Commission on the Quality of Education, Vol. 1, p. 33.)

And there is a secular trend. One of the most striking phenomena in the achievement score data is that over time more and more children throughout the state are falling below minimum competence. (Idem.)

How are we to reverse this debilitating trend? Again, the evidence indicates that the most promising solutions do not lie within the immediate setting in which the child is

found, in this instance, the classroom and the school. An impressive series of investigations, notably the studies by Coleman (1966) and more recently by Jencks (1972) demonstrate that characteristics of schools, of classrooms, and even of teachers predict very little of the variation in school achievements. What does predict are family background characteristics, particularly those which reflect the position of the family in relation to the larger social contexts in which it is embedded—the world of work (e.g., occupation, income), neighborhood and community.

The crucial question thus becomes: can our social institutions be changed, can old ones be modified and new ones introduced in such a way as to rebuild and revitalize the social context which families and children require for their effective function and growth?

A proved strategy for conserving human potential

Mr. Chairman, as my first answer to this question, I ask your indulgence to repeat a statement I made to this subcommittee two years ago. At that time I testified as follows:

"We now have the knowledge and the know-how to increase significantly the ability and competence of the next generation of children to be born in this country.

"We know what is needed, we know how it can be done. All that remains is to do the job. At least a dozen nations are doing the job better than we do it now." (Hearings, Subcommittee on Children and Youth, 1971.)

What I can add today, Mr. Chairman, is that we in America not only have the know-how, we have now applied it, and know that it works effectively and on a massive scale. We tried, we succeeded, and, just as we were beginning to avert tragedy for thousands of American families, the effort was abandoned—precisely at the level with which these hearings are concerned—Federal policy and Federal action.

I know the members of this subcommittee are well aware of the problem to which I refer, but perhaps not of the evidence for its practical solution. America, the richest and most powerful country in the world, stands thirteenth among the nations in combating infant mortality; even East Germany does better. Moreover, our ranking has dropped steadily in recent decades. A similar situation obtains with respect to maternal and child health, day care, children's allowances, and other basic services to children and families.

But the figures for the nation as a whole, dismaying as they are, mask even greater inequities. For example, infant mortality for nonwhites in the United States is almost twice that for whites, the maternal death rate is four times as high, and there are a number of southern states, and northern metropolitan areas, in which the ratios are considerably higher. Among New York City health districts, for example, the infant mortality rate in 1966–67 varied from 41.5 per 1000 in Central Harlem to 13 per 1000 in Haspeth, Forest Hills.

Ironically, of greater cost to the society than infants who die are the many more who sustain injury but survive with disability. Many of these suffer impaired intellectual function and behavioral disturbance including hyperactivity, distractability, and low attention span, all factors contributing to school retardation and problem behavior. Again, the destructive impact is greatest on the poorest segments of the population. It is all the more tragic that this massive damage and its subsequent cost in reduced productivity, lower income, unemployability, welfare payments, and institutionalization are avoidable.

The way to the solution is suggested by a paradox that emerges when the medical data are analyzed in the socio-economic terms. The relation between birth complications and subsequent impairment of psychological development is indeed substantial for families in poverty, but is much smaller for middle class samples. The analyses show further that the same prenatal complication has substantially more serious sequellae for a child born in a low income family than a middle income family. In other words, the consequences of prenatal injury depend less on the injury itself than on the treatment the child receives. And the treatment in turn depends on the circumstances in which the family live.

This same sequence is reflected by the results of the two-stage analysis carried out by Dr. Harold Watts for the Advisory Committee on Child Development of the National Academy of Sciences. First, Watts demonstrated that 92% of the variation in infant death among the 30 New York City health districts is explainable by low birth weight. Second, he showed that 97% of the variation in low birth weight can be attributed to the fraction of mothers who received no prenatal care or received care only late in their pregnancy, and the fraction unwed at the time of delivery.

Confirmatory evidence is available from an important and elegant study, published just this year, on the relations between infant mortality, social and medical risk, and health care (Kessner *et al.* 1973). From an analysis of data in 140,000 births in New York City, the investigators found the following:

1. The highest rate of infant mortality was for children of Black native-born women at social and medical risk and with inadequate health care. This rate was 45 times higher than that for a group of White mothers at no risk with adequate care. Next in line were Puerto Rican infants with a rate 22 times as high.

2. Among mothers receiving adequate medical care, there was essentially no difference in mortality among White, Black, and Puerto Rican groups, even for mothers at high medical risk.

3. For mothers at socio-economic risk, however, adequate medical care substantially reduced infant mortality rates for all races, but the figures for Black and Puerto Rican families were still substantially greater than those for Whites. In other words, other factors besides inadequate medical care contribute to producing the higher infant mortality for these non-white groups. Again these factors have to do with the social and economic conditions in which these families have to live. Thus, the results of the New York City study and other investigations point to the following characteristics as predictive of higher infant mortality: employment status of the breadwinner, mother unwed at infant's birth, married but no father in the home, number of children per room, mother under 20 or over 35, and parents' educational level.

4. Approximately 95% of those mothers at risk had medical or social conditions that could have been identified at the time of the first prenatal visit; infants born to this group of women accounted for 70% of the deaths.

What would have happened had these conditions been identified and adequate medical care provided? The answer to this question has recently become available from an analysis of data from the Maternal and Infant Care Projects of HEW which, in the middle 60's, were established in slum areas of fourteen cities across the nation and in Puerto Rico. In Denver, a dramatic fall in infant mortality from 34.2 per 1,000 live births in 1964 to 21.5 per 1,000 in 1969 was observed for the 25 census tracts that made up the target area for such a program. In Birmingham, Alabama, the rate decreased from 25.4 in 1965 to 14.3 in 1969, and in Omaha from 33.4 in 1964 to 13.4 in 1969. Significant reductions have also occurred over the populations served by these programs in prematurity, repeated teenage pregnancy, women who conceive over 35 years old, and families with more than four children.

Mr. Chairman, it is because of our distorted priorities that these programs are currently being dismantled, even though the proposed replacement of support through revenue sharing is not even visible on the horizon. As the statisitics I have cited indicate, phasing out these programs with nothing to take their place will result in a return of mortality rates to their earlier higher levels. To speak in human rather than purely statistical terms, more babies will die, and more mothers as well.

IS EARLY INTERVENTION EFFECTIVE?

New information is available as well in a second problem area substantially affected by Federal policy. In connection with my work as a member of the MRC–MAS Advisory Committee on Child Development, I had the responsibility of preparing a report evaluating the effectivenes of so-called intervention programs that have been conducted with thousands of preschool children over the past decade (Bronfenbrenner 1973). As the Committee knows, these programs were introduced in an effort to counteract the destructive impact of poverty on the development of the young. In a number of instances, children were followed-up for three to five years after completion of intervention in order to assess long-range effects. The scientific interest of these studies is enhanced by the fact they employed strategies varying in the degree to which they involved the child alone, solely his parents, or some combination of both. Specifically, four types of intervention were examined:

1. *Parent education.* Here the immediate and direct focus of attention was the parent, usually the mother. The program typically took the form of a lecture or discussion, usually accompanied by printed materials. Also included were parent education efforts presented entirely via mass media (press, radio or television).

2. *Group preschool programs.* The target of intervention was the child in a group setting, with a ratio of at least four children to one adult.

3. *Home-based tutoring.* A tutor visited the child in his home on an individual basis.

4. *Parent-child intervention.* This approach involved working with parent and child simultaneously, usually in the home.

Each of these approaches was evaluated for its influence on the child's cognitive development. From this perspective, one strategy—that of parent education—proved generally ineffective. There was no evidence that informational programs directed solely at the parent had any appreciable impact on the child's intellectual function or academic performance.

Both group programs and home tutoring produced gains in cognitive development (as measured by intelligence and achievement tests), but the effects were temporary only. By the first or second year after completion of the program, sometimes while it was still in operation, the children began to show a progressive decline and, by the third or fourth year, the once-substantial differences between experimental and control groups became negligible or nonexistent. In contrast, parent-child intervention produced substantial improvements in intellectual function which were still evident three to four years after termination of the program. In addition, beneficial effects were observed not only in the target child but also his younger siblings.

An analysis of research on conditions underlying impairment of development and failure of intervention efforts with particular individuals or groups led to a general conclusion with important policy implications:

Any force or circumstance which interferes with the formation, maintenance, status, or continuing development of the parent-child system in turn jeopardizes the development of the child.

Such destructive forces may be of two kinds. The first and most damaging are externally imposed constraints, such as inadequate health care, poor housing lack of education, low income, and, under certain circumstances, the necessity for full-time work, all factors which prevent the parents from doing what they might be quite able and willing to do given the opportunity and the knowledge. Second, there are social forces and educational arrangements that diminish the status and motivation of parents as the most powerful potential agents for the development of their child.

Evidence in support of these conclusions comes from several sources:

1. The children who showed the greatest initial impairment of psychological development were those from the most deprived social and economic backgrounds, Especially relevant in this regard were such variables as the employment status of the head of the household, the number of children in the family, the level of parent's income and education, and the presence of only one parent in the home.

2. The children from these same backgrounds were also those who profited least from intervention programs provided for them, and showed the earliest and most rapid decline. Conversely, children benefiting most compensatory effects were those who came from the least deprived social and economic conditions.

3. The success of intervention efforts was positively correlated with the degree to which parents were accorded high status and actively involved in the program. When primary responsibility for the child's development was assumed by professionals and the parent relegated to a secondary role, the intervention was less effective, particularly with respect to long-term effects.

4. Although group programs per se did not have lasting impact, exposure to parent intervention during, and especially prior to, enrollment in preschool or school resulted in greater and more enduring gains achieved in the group setting.

5. Families willing to become involved in intervention programs tended to come from the upper levels of the disadvantaged population. At the most deprived levels, parents were so overburdened with the tasks and frustrations of sheer survival that they had neither the energy nor the psychological resources necessary to participate in an intervention program designed to benefit their children.

The foregoing findings indicate that for children from the most deprived environments no strategy of intervention is likely to be effective that focuses attention solely on the child, the preschool, or the parent-child relationship. The critical forces of destruction lie neither within the child nor within the family but in the desperate circumstances in which the family is forced to live. Accordingly, what is called for is intervention at the ecological level, measures that will effect radical changes in the immediate environment of the family and the child. Such measures include provision of health services, adequate housing opportunity for employment, and an income sufficient to sustain life and growth. It is significant that the H.R.C. Committee could find no research bearing on the effects of ecological intervention of this kind on the development of children. It is conceivable that a program which provides the family breadwinner with a job, guarantees an adequate income, supplies needed nutrition and health services, or furnishes better housing, may produce greater and more enduring gains in cognitive development than are presently achieved by strategies directly aimed at this objective. We do not know whether this is so, but could easily find out simply by adding well designed research components to a number or existing Federal, state, or local programs.

The studies I have been discussing document the importance of what I have called family support systems for increasing the development in the preschool years. What about the school-age child? Does the family, and its supportive systems, still play the critical role in the child's development?

Breaking down the wall between home and school

I believe it significant that in review of research, I was able to find only one study that examined the relation of parent involvement to the child's learning in school. The project, carried out in Flint, Michigan, involved approximately 1000 children from low-income families, most of them Black, attending two public elementary schools (Smith 1968). Children of similar socioeconomic background in another elementary school were selected as a control group. The effort involved parents in activities both at home and in the school.

On the home front, parents, including fathers, were requested to read aloud to their children, listen to their children read, read regularly themselves in the presence of their children, show interest by looking at the child's work, and give encouragement and praise as needed and deserved. In addition, parents were asked to provide a quiet period in the home for reading and study. During this time the television or radio was to be turned off, telephone callers were asked to phone back later. Parents were requested to occupy the attention of younger children. The parents were not asked to help the child with homework; instead, they were informed that the teacher would be checking with them on whether the child did his work rather than how well the task was done. "Every child could therefore be successful, provided that his parents were giving the needed support at home." (Smith 1968, p. 97.) A children's dictionary was also made available to each family with a child in grades four through six. Families were asked to write their names in the dictionary and encourage its use. Many other innovations were introduced to provide support in the home for the child's activities at school.

The program also brought the parents into the school. This was accomplished by a group of thirty volunteer mothers who assigned themselves specific blocks in the school district and made a personal call on every family inviting the parents to a program "to learn what they could do to help their children achieve better in school." (Smith 1968, p. 95.) In addition, parents and other residents of the neighborhood who held skilled jobs were asked to visit classrooms in order to explain their work and to indicate how "elementary school subjects had been important to them in their lives." (Smith 1968, p. 102.)

The results of the program are reflected by the gains in achievement test scores in reading made during the year by the experimental groups. For the first time in their school career, the children attained and, in some grades, surpassed the national norms.

Real children and families in the school curriculum

The relation between family and school has significance in yet another quarter. It is a commonplace among educators to affirm that the task of the school is to prepare the child "for life". Yet there is one role in life which the overwhelming majority of all children ultimately take, but for which they are given virtually no concrete preparation. I am referring, of course, to education for parenthood. In our cross-cultural observations we were struck by the differences between American children and adolescents and those from other societies in the ease with which they could relate to infants and young children, engage their interest, and enjoy their company. This reflects the fact that with the important exceptions of certain minority groups, including Blacks—many young people, especially males, never have experience in extended care and activity with a baby or young child until they have their own. A solution to this problem, which speaks as well to the need to give young people in our society genuine and consequential responsibility, is to introduce into the regular school curriculum functional courses in human development. These would be distinguished in a number of important ways from courses or units on "family life", as they are now usually taught in the junior high school, chiefly for girls who do not plan to go on to college. The material is typically presented in vicarious form; that is, through reading, discussion, or at most, through role playing, rather than actual role taking. In contrast, the approach being proposed here would have as its core responsible and active concern for the lives of young children and their families. Such an experience could be facilitated by locating day care centers and Head Start Programs in or near schools, so that they could be utilized as an integral part of the curriculum. The older children would be working with the younger ones on a regular basis, both at school and at home. They would thus have an opportunity to become acquainted with the younger children's families, and the circumstances in which they live. This in turn would provide a vitalizing context for the study of services and facilities available to children and families in the community, such as health care, social services, recreation facilities, and of course, the schools themselves. Obviously, the scope of responsibility would increase with the age of the child, but throughout there would have to be adequate supervision and clear delineation of the limits of responsibility carried by older children in relation to the young.

Critical contexts for the future of the American family

Health services and education are two of the many institutions which must serve as support systems for the family. Others include day care, the world of work, mass media, transportation, architecture, and urban planning. I have touched on most of these matters in testimony before this subcommittee two years ago. More recent developments in these areas are discussed in an article published last year, entitled "The Roots of Alienation", a copy of which I would be happy to submit as an addendum to this report. There are one or two aspects of these matters which because of their controversial or novel nature merit specific mention here. The first of these is day care.

Day care

Day care is coming to America. The question is: what kind? Shall we, in response to external pressures to "put people to work", or for personal considerations of convenience, allow a pattern to develop in which the care of young children is delegated to specialists, thus further separating the child from his family and reducing the family's and the community's feeling of responsibility for their children? Or, shall our modern day care be designed, as it can be, to reinvolve and strengthen the family as the primary and proper agent for the process of making human beings human?

The answers to these questions depend on the extent to which day care programs are so located and so organized as to encourage rather than to discourage the involvement of parents and other non-professionals in the development and operation of the program

both at the center and in the home. Like Project Head Start, day care programs can have no lasting constructive impact on the development of the child unless they affect not only the child himself but the people who constitute his enduring day-to-day environment in the family, neighborhood, and community. This means not only that parents must play a prominent part in the planning and administration of day care programs, but that they must also actively participate in the execution of the program as volunteers and aides. It means that the program cannot be confined to the center, but must reach out into the home and the community so that the whole neighborhood is caught up in activities in behalf of its children. From this point of view, we need to experiment in location of day care centers in places that are within reach of the significant people in the child's life. For some families this means neighborhood centers; for others, centers at the place of work. A great deal of variation and innovation will be required to find the appropriate solutions for different groups in different settings.

Fair Part-time Practices Act

In my previous testimony I presented a proposal for an act prohibiting discrimination against parents who sought or held part-time jobs. Today I should like to enter into the record the instructive experience of one state legislator who attempted to put through such a bill, the Honorable Constance Cook, Assemblywoman from New York. Mrs. Cook sent me a copy of her Bill as introduced in committee. It began "no employer shall set as a condition of employment, salary, promotion, fringe benefits, seniority. . . ." etc. the condition that an employee who is parent or guardian of a child under 18 years of age shall be required to work more than "*forty* hours a week". Yes, Mr. Chairman, you heard me correctly—forty hours a week, which, of course, is full time. Mrs. Cook informed me that there was no hope of getting a bill through with a lower limit.

It turned out that even forty hours were too much. The bill failed of passage even in committee. The pressure from business and industry was too great. They wanted the right to require their employees to work overtime.

There is, however, a ray of hope. It is my understanding that a critical issue in the present strike against the Chrysler Corporation, and one on which the union is taking a strong position is precisely this question of compulsory overtime.

Families and neighborhoods

I should also like to enter into the record the results of a research conducted in Germany which sheds light on the influence of the neighborhood on the lives of children and families. The study compared the actions of children living in 18 new "model communities" with those from youngsters living in older German cities. The research was conducted by the Urban and Planning Institute in Nuremberg in collaboration with the Institute of Psychology at the University of Erlangen-Nuremberg. The following are excerpts from a special bulletin to the New York Times (May 9, 1971):

"In the new towns of West Germany, amid soaring rectangular shapes of apartment houses with shaded walks, big lawns and fenced-in play areas, the children for whom much of this has been designed apparently feel isolated, regimented and bored . . .

"The study finds that the children gauge their freedom not by the extent of open areas around them, but by the liberty they have to be among people and things that excite them and fire their imaginations . . .

"Children in the older cities seemed enthusiastic about their surroundings, painting a great amount of detail into a variety of things they found exciting around them, according to those who interpreted their art.

"The children in the model communities often painted what were considered despairing pictures of the world the adults had fashioned for them, depicting an uninviting, concrete fortress of cleanliness and order and boredom."

The implications of the research are self evident. In the planning and design of new communities, housing projects, and urban renewal, the planners, both public and private, need to give explicit consideration to the kind of world that is being created for the children who will be growing up in these settings. Particular attention should be given to the opportunities which the environment presents or precludes for involvement of children with persons both older and younger than themselves. Among the specific factors to be considered are the location of shops and businesses where children could have contact with adults at work, recreational and day care facilities readily accessible to parents as well as children, provision for a family neighborhood center and family oriented facilities and services, availability of public transportation, and, perhaps most important of all, places to walk, sit, and talk in common company.

It is perhaps fitting to end discussion of this matter with a proposal for nothing more radical than providing a setting in which young and old can simply sit and talk. The fact that such settings are disappearing and have to be deliberately recreated points both to the roots of the problem and its remedy. The evil and the cure, lie not with the victims of alienation but in the social institutions which produce it, and their failure to be responsive to the most human needs and values of our democratic society.

What are the implications of these kinds of considerations for the work of your committee? I offer my recommendations in the form of a document entitled the "American Family Act of 1974: Suggested Principles and Provisions". The date and the substance, Mr. Chairman, represent a compromise between desperation, realism, and hope.

THE AMERICAN FAMILY ACT OF 1974
SUGGESTED PRINCIPLES AND PROVISIONS

A. Principles

1. The family is the most humane, effective, and economical system of child care known to man. The first aim of any child care program, therefore, should be to strengthen the family and enable the parents to function as parents for their children. This can be best accomplished by providing a variety of *support systems* for the family in the home, neighborhood, place of work, and community.

2. All programs should be family-centered rather than merely child-centered. This means service to parents as well as to children, and opportunity for the involvement of parents in the planning and execution of programs both within and outside the home. Research results indicate that where programs have involved families as a whole there is greater likelihood of lasting effect beyond the duration of the program itself, with an impact not only on the target child but other children in the family as well. Also such programs tend to be more economical because of the greater participation of family members in the work of the program.

3. During the first six years of life, particularly during the first three, an enduring one-to-one relationship is especially important for the child's development. For this reason special encouragement should be given to arrangements which permit one of the two parents to work part-time. In particular, welfare eligibility requirements should not discriminate against families in which one or both parents are working part-time rather than full-time.

4. Many families today are unable to function effectively to meet the needs of their children because of circumstances beyond their control. The principal debilitating factor is poverty. Others include reduction of the family to only two adults, or, in many instances, only a single parent; the involvement of both parents in full-time jobs; working on different shifts; the social isolation of families—especially the mother—because of the breakdown of neighborhoods. Measures designed to alleviate these conditions can contribute in reenabling parents to function more effectively. Hence such measures should become a part of any comprehensive child care program, especially because they are more economical in the long run.

5. In addition to the parents, other persons can play a significant role both in relation to the child himself and in providing support to those primarily engaged in his care, especially to the mother. The most important persons in this regard are other family members such as grandparents, aunts, uncles, older brothers and sisters but also neighbors, friends, teachers, social workers, and other professionals. Finally, the research evidence also points to the powerful impact of older children on the development of the young. Therefore, both on psychological and economic grounds, an effective child care program should utilize and encourage the involvement of other adults and older children in the care of the young.

6. To be effective, programs must be comprehensive in nature not only in relation to the needs of the child but also those of his family in the areas of health, education, and social services. For example, the most effective and economical measure to insure the health of the child may often be to meet the health problems of his parents, or of other sick, handicapped, or aged family members who sap the parents' strength and resources.

7. Families live in widely differing circumstances. Any program of child care services must therefore supply a variety of options. In accordance with this principle, child care services should not be limited to group day care provided outside the home.

B. "Family Support Systems"

1. Revision of Welfare and Work Legislation

No single parent of young children should be forced to work full time or more to provide an income at or below the poverty line. The statement applies with equal force to families in which both parents are compelled to work full time or longer to maintain a minimal subsistence level. Under such circumstances, a parent wishing to do so should be enabled to remain at home for part of the day. The following measures could help achieve this objective:

a. Welfare legislation should be amended so as to encourage rather than penalize low income parents, especially single parents, who wish to work only part-time in order to be able themselves to care for their own children.

b. To free parents in poverty from full-time employment so that one of them can care for the children. Federal and state programs should provide funds for part-time parental child care at home in lieu of wages.

c. There should be legal prohibition against unlimited compulsory overtime for parents with young children.

d. Federal or state legislatures should pass Fair Part-Time Employment Practices Acts prohibiting discrimination in job opportunity, rate of pay, seniority, fringe benefits and job status for parents who seek or are engaged in part-time employment.

2. Incentive Programs

a. Tax incentives should be extended to businesses and industries who set up family and child services for their employees such

as day care programs, part-time work opportunities, flexible working hours, special programs designed to acquaint children and young people with the world of work, etc. In particular, employers should be encouraged through tax benefits to modify work schedules so as to enable parents to be home when their children return from preschool or school thus decreasing the need for babysitters during the child's waking hours or for "latchkey" arrangements for older children.

b. Special incentives should be provided for the development of neighborhood and community-wide programs benefiting families and children, especially on a non-age-segregated basis.

d. Incentives should be offered to groups responsible for the design of neighborhoods, housing projects, apartment complexes, churches, industrial sites, urban renewal projects, etc. to provide for the needs of children and families in the planning of these environments. For example, apartment complexes should incorporate day care facilities adapted for parent participation, large housing projects should be provided with a family neighborhood center.

e. Incentives should be offered to schools for introducing programs involving older children in responsibility for the young both within the school and in neighborhood settings (including the old and the sick, and also for the development of programs which bring members of the community in contact with school children so as to reduce the widening gap between the worlds of childhood and adolescence on the one hand, and the world of adults on the other.

3. Family Impact Assessment

Both Houses of Congress and analogous governmental bodies at state and local levels should change or establish committees to monitor all legislation or proposals coming before the body in question for possible impact in the welfare of families and children.

4. Homemaker Services

Many disadvantaged or single parents are unable to spend time in activities with their young children because of other demands in the home, such as care of old or sick relatives, meeting the needs of a large family, housekeeping under difficult conditions, etc. Local residents trained as homemakers, or high school students in special programs (see above) could take over some of these responsibilities during regular visits so that the parent could be free to engage in activities with the younger child.

5. Group Day Care

a. Day care eligibility should not be limited to parents engaged in full-time employment.

b. Some off-hour and around-the-clock day care should be available.

c. Some provisions should be made for the availability of emergency day care when parents are sick, incapacitated, or for other urgent reasons temporarily unable to provide adequate care for their children.

d. In the establishment of care programs, provision should be made for the involvement of other family members besides the parents such as adult relatives, and older children of the family.

6. Training Programs for Child Care Workers

These should be available for persons of all ages by including them in the curricula of high schools, adult education programs, community colleges, etc. They should incorporate as a regular feature voluntary child care services while in the period of training. This would make available large numbers of trained personnel at low cost for families who need such assistance.

7. Commissions for Children and Families

Federal encouragement should be given for the establishment of such commissions at the neighborhood or community level. They would have as their initial charge finding out what the community is doing for its children and their families. The commission would examine the adequacy of existing programs such as maternal and child health services, family planning clinics, day care facilities, social service and recreational opportunities. They also would have the responsibility for looking at the entire community as an environment for children. Attention would be given not only to institutions and programs designed explicitly to serve families and children, but also to town planning, housing, traffic, entertainment, etc. from the point of view of meeting the needs of families and their children. The commission would be expected to report its findings and recommendations to appropriate executive bodies and to the public at large through the mass media. After completing the initial assessment phase, the commission would assume continued responsibility for developing and monitoring programs to implement its recommendations.

8. Research

Provision should be made for studies designed to assess the comparative effectiveness of specific strategies for furthering the development of children and families. Unlike the massive surveys employed to date, such investigations should focus on specific components of particular programs, rather than attempting an indiscriminate evaluation of many complex programs differing in content, clientele, and social setting.

9. A Family-Centered Employment Policy in the Federal Government

The Federal Government as an employer should be mandated to set an example by adopting, at least on an experimental basis, the policies and practices proposed in these recommendations.

Urgent actions

Finally, Mr. Chairman, there are two urgent steps that cannot wait for the passage of a bill in 1974. They must be taken *now:*

1. Reinstating and Expanding Material and Infant Care Services

In view of its urgency, a separate bill should be introduced in the Congress now to reestablish and expand the new material and infant care services and to mandate that the appropriated funds not be impounded by the Executive branch.

2. Verifying the Support of Family Programs on Revenue Sharing

Many vital federal programs for families and children have been dismantled by the present administration with the assurance that they would be "picked up" by states and local communities with support from revenue sharing. For the sake of the nation's children, it is essential that this process be monitored by an appropriate agency in the federal government, such as the office of Child Development, to identify any lapse in critical programs. An effort should then be mounted, by the Congress if necessary, to assure that the vital needs of families are being met.

Summary

Mr. Chairman, I should like to summarize with three statements:

1. The family is the most humane, efficient and economical system for making human beings human known to man.

2. With all its strength, the family cannot survive and function in a vacuum. It requires support from the neighborhood, from the world of work, and from social and political institutions at the local, state, and national level.

3. The future belongs to those nations that are prepared to make and fulfill a primary commitment to their families and their children. For, only in this way will it be possible to counteract the alienation, distrust, and breakdown of a sense of community that follow in the wake of impersonal technology, urbanization, bureaucratization, and their unplanned, dehumanizing consequences. As a nation, we have not yet been willing to make that commitment. We continue to measure the worth of our own society, and of other countries as well, by the faceless criterium of the GNP—the gross national product. We continue, in the words of the great American psychologist, William James—to "worship the bitch-goddess Success".

It appears, Mr. Chairman, that we are a "stiffnecked people". That phrase calls to mind that the worship of idols is not new in human experience, and its almost inevitable and awesome consequences are a matter of familiar record. Yet, the God of Abraham, we will recall, was merciful. He sought to warn his people by lesser calamities before Sodom and Gomorrah were destroyed. Or, to translate to our own time and venacular: "Things may have to get worse before they can get better". If so, Mr. Chairman, we can take heart from the facts and figures I have brought before you; we surely are making progress!

Mr. Chairman, our nation must make and fulfill the commitment to its families and children before time runs out. Ultimately that commitment must be made and fulfilled by the people themselves. In the last analysis, it is they who must decide to change the institutions which determine how they and their neighbors live—who can get health care for his family, a habitable dwelling in which to live, opportunity to spend time with one's children, and help and encouragement from individuals and society in the demanding and richly gratifying task of enabling the young to develop into competent and compassionate human beings.

Untimately, all of us must make this national commitment. But it can begin only where national leadership begins, in the halls of Congress and in the White House. It is, of course, unlikely that within the next three years that commitment will be made at the other end of Pennsylvania Avenue. It appears to be a long way from there to the lives and hearts of the people, their families, and their children. The way is surely shorter from here, from these halls, where the representatives of the people gather to serve the people's interest. I have high hope, Mr. Chairman, that the Hearings being conducted by this Committee will mark the beginning of a new era in the history of the Congress and the country, and that the Senate of the United States, under the leadership of this bipartisan Committee, will act in behalf of the people in making a national commitment to meet the needs and realize the tragically unfulfilled potential of our families and our children.

PARENTS WITHOUT PARTNERS, INC.,
September 19, 1973.

To Senate Subcommittee on Children and Youth, Old Senate Office Building, Washington, D.C.

From Parents Without Partners, Inc., George B. Williams, Executive Director, Washington, D.C.

My name is George B. Williams, and I am Executive Director of Parents Without Partners, Inc., the world's largest organization of single parents. With me today are three members of my organization who will present their personal stories and findings on several aspects of our national life affecting the dissolution of the family and the resulting deleterious effects on children and youth.

Before introducing them, let me tell you something about our organization, Parents Without Partners. We are an international, voluntary membership organization of single parents—the widowed, divorced, separated and never-married—who are bringing up children alone in what is still a dual-parent society. Custody is not a requirement for

membership, and 35% of our members are men. PWP's North American membership (United States and Canada) lists 90,000 members. We were founded nearly 16 years ago and have doubled in size every third year of our existence; our growth has been phenomenal, and the future of our organization has never been brighter. This doesn't say much for the future of the traditional marriage as we have known it or of the so-called nuclear family.

More than 700 Chapters of our organization exist in all 50 States and in most Canadian Provinces. We also have large affiliated groups, exclusive of our 90,000 members in North America, in Australia, New Zealand, England, Mexico and Venezuela. Chapters range from upwards of 1,000 members in urban areas to fewer than 100 in the smaller towns and cities. Each Chapter, with elected volunteer leaders, plans and conducts its own programs of service to its members and their children, with administrative aids, materials, advice and guidance from the International Office here in Washington. We are tax-exempt as a non-profit, non-sectarian, educational organization devoted exclusively to the welfare and interests of single parents and their children.

Our members come from all walks of life and represent a kaleidescope of occupation interests and educational attainment. Ages range from the 20's into the 60's with the bulk of the membership in the 30's and 40's. Thirty-five percent of our members are widows and widowers, but the majority are divorced. Never-marrieds are a tiny growing minority, and there are many "separateds" who do not divorce for religious or other reasons. Sixty-five percent of the total are women. The only requirement for membership in Parents Without Partners is single parenthood. We represent a typical cross-section of the millions who have suffered marriage termination, have children to worry about, and are in the throes of a reorganization of their lives. Our members come to us at all stages in the process of separation; some are only recently widowed or divorced while others have lead the "single again" life for some time.

Some have young children; others have teenagers. Some are fairly sophisticated, others naive. They are of all faiths. A few have had professional counseling; most know nothing about it. Basically middle to lower-middle class on the socio-economic scale (a marriage termination invariably means that the party or parties to it take a step or two down that scale), many are bitter about marriage, others hopeful about remarriage. About the only other generalization I can make about the organization I represent is that the members are all in the process of transition and change and have come to us for help. Having received the help they need, and having completed the process of transition, they leave. The average tenure of membership is about two years. We are a permanent organization of transients. We are a do-it-yourself, self-help organization. We've had to be.

For the most part, gentlemen, you as individuals are members of the legal profession, and you know full well that the end of a marriage, especially if children are involved, is a tremendously traumatic experience for all concerned. Even if problems were anticipated, nobody, it seems, ever expects them to be so critical. Beyond that, many unpredicted situations and problems have to be faced. In any case, demoralization and despair are the frequent response. There is much that government can do in many, many areas to make the transition smoother for those who suddenly enter the world of the formerly married because of marriage dissolution.

It is most encouraging to see, beginning with the hearings by this subcommittee, that the nation is beginning to address itself to the escalating phenomenon of broken families and marriage termination. All I can say is that it's about time.

Marriage dissolution should be the Number One subject of the decade. The family is the fundamental unit of civilization, and the traditional marriage has been a corner-stone of our society. Marriage dissolution is reaching epidemic proportions, and the societal impact on all levels of our national life is now beginning to manifest itself.

Strange things are happening to the institution of marriage as we know it in the United States and in Western society; curious things are happening to divorce in America. The pain and trauma associated with the break-up of a marriage have not impaired the prevalence of marriage dissolution. Approximately four of every 10 couples who marry this year will not live happily ever after.

They will divorce after, on the average, seven years of marriage. It can be safely said that the divorce rate is soaring to a record peak; it is beginning to approximate 50%.

One of every six children in the United States is now being raised in a single parent home. The first-marriage rate is now at its lowest ebb since the Depression. Second marriages have also leveled off dramatically. "The Pill" and liberalized abortion laws have accounted for the fact that the birth rate has reached its lowest level in our history, and even where children aren't involved directly, equally striking is the rising number of marriages that split apart after the major child-raising chores are finished. Among couples married 15 to 19 years, divorce has doubled since 1960, while in the 20-years-and-over bracket, it is up 56%.

And in spite of the pill and liberalized abortion laws, the number of so-called "illegitimate" births is rising.

Let me also state here and now that those who suffer most in a marriage dissolution are *not* the children. Children are amenable to change and resilient. It is the *adult* who suffers most.

The best thing one can do for a child is to enable him to have a reasonably well-adjusted, functioning parent or parents. We are all aware that innocent children are innocent victims of marriage dissolution. Parents can become disturbed, overwrought and traumatized when they enter the world of the formerly married, and they must readjust their lives in a happy, organized manner. Above all, this has the most beneficial effect on children. Contributing heavily to the trauma and maladjustment suffered by many members of the single parent community are several inequities which can be corrected by government, both in the legislative, enforcement and policy-making areas.

From personal experience, the three members of our organization whom I will introduce to you now will present their personal experiences as well as their recommendations in several of these areas. In order of their appearance, they are as follows:

Ms. Katheleen Carroll Gallagher. Ms. Gallagher has been a member of our organization for several years and has served in several leadership capacities. In the business world, she is Assistant Secretary of Coachman Industries, Inc., of Middlebury, Indiana. She is also the Administrative Assistant to the President of that corporation, Mr. T. H. Corson. You'll be interested to know that when Mr. Corson was approached to give Ms. Gallagher the time to come to Washington to testify before this committee, he said, "My opinion of the men in government and those elected Senators has risen considerably since learning that they have asked you to discuss the problems of the single parent. They can benefit greatly from your knowledge and that of your organization, and its' gratifying to know that Congress is actually seeking the advice of those who had experience with the problems. Hopefully, they'll do more of this in all areas of government."

Ms. Gallagher became a single parent 12 years ago and at that time, her two sons were age 13 and 15 and her daughter was 14. Since her divorce, her children have successfully completed the total of 16 years of college in nine of those 12 years. Her eldest son has his doctorate from Stanford University in nuclear and systems engineering, and her younger son is a graduate of Indiana University and is now a Certified Public Accountant. Her daughter is a Registered Nurse specializing in the intensive care of newborn babies. All of them are happily married.

Ms. Martin Creasy, Ms. Creasy is a former member of the Armed Services herself and was married to a non-commissioned officer in the United States Air Force for more than 14 years. She is divorced, and a parent of three growing boys. She has direct knowledge of how politics governing the military affect the lives of enlisted servicemen and their families while on active duty. Ms. Casey is a housewife from New Ipswich, New Hampshire.

Ms. Patricia Young. Ms. Young is the divorced mother of three children and is a resident of Andover, Massachusetts, She is employed as a Secretary. Her situation is rather unique, because her divorce from a senior non-commissioned officer in the United States Army did not solve very many problems for her. Many of those problems continue because of some military policies no longer in existence but which, in her case, are not yet resolved. While she is divorced from a former Army non-commissioned officer, her testimony will show, I believe, that her divorce from problems generated by "benign military neglect" will not be final until she leaves this planet.

STATEMENT OF MS. GALLAGHER

I am personally delighted to discuss certain areas of concern which I share with other single parent women functioning in the business world.

My 12 years spent as a single parent were not easy ones. I'm not complaining, because I've been very fortunate. My children have turned out well. I've worked extremely hard in spite of the fact that both my family and I have felt like "second class" citizens because of my divorce. A man or woman divorced or separated with children is the subject of a wide variety of overt and covert discrimination, some of which is directly due to lack of governmental controls and laws. This discrimination takes many forms, and I would like to review with you some of the particularly relevant aspects. If you magnify my problems as one single parent woman by the 10,000,000 single parents in the United States today, you will easily realize my concern as an individual as well as the concern of my organization, Parents Without Partners.

(1) It goes without saying that one of the most commonly shared dilemmas of single parents is adequate income. Child support payments or life insurance benefits are rarely adequate to provide for the needs of a family. In nearly every case, it is mandatory that a single parent be employed outside the home in order adequately to support the household. This leads to ansulary problems of child care, low income levels of the average woman, bringing their occupational skills current, and finding a suitable job. Today one family in nine is headed by a woman—this means 5.6 million families headed by women. In the decade between 1960 and '70, this group increased 24% in numbers.

Compounding this problem is the fact that despite women's rights movements and equal opportunity legislation from the Congress, figures on the earnings by occupational and educational levels clearly show that a working woman with a high school education earns approximately 56% of the salary at-

tained by men on an equivalent level of age and education. From the standpoint of society, concern must be centered on the status of those single parent families with dependent children. Most are not as fortunate as I have been. I did manage to keep three children in college at the same time on earnings of approximately $6,000 per year, plus approximately $2,800 in child support annually.

This is a very broad problem. The proportion of mothers working outside the home is now more than double that of 25 years ago. For a graphic illustration of the problem, consider the group of mothers with children under six. Last year, there were more than 4.3 million mothers with children under six in the labor force. More appalling, there were 1.3 million mothers with children who were bringing up their families without a husband. Add to this the children from six to 17 years of age being raised by single parent women—almost 3.3 million—and one soon realizes that compared to the estimated number of licensed day-care slots of 800,000, the recent veto by the President on the matter of day care facilities only serves to aggravate immediate solutions to this gigantic problem for single parents and their children.

(2) The second area of concern are the problems generated by inequitable taxation of the single parent. Most assuredly, child care expenses should be treated as a business expense rather than a personal expense.

An industrialist can hire 2 dozen extra secretaries and even a chauffeur and there is never any shadow of a doubt that their wages will be a legitimate tax deduction. He pays their wages from one pocket and recoups a handy tax break from the Treasury with another. The secretaries help him work more effectively. They help him spend time more productively so that he can make a greater contribution to our nation's economy. Without them and their help, he would be very much cut down to size.

But what about fathers or mothers who can't even get to the stage of taking a job at all without paying someone to look after their children or clean their homes? They don't have the resources of a millionaire, but they have to hire someone or pay someone to help them all the same. No business deduction for them—despite the fact that many of these parents could not even work at all without incurring such expenses, let alone getting to the stage of thinking in terms of help to enable them to work more effectively.

Certainly, where two divorced or separated parents provide support to children, there should be some automatic, equitable formula for allowing them to split exemptions and claim tax credit, both for support and for the education of those dependent children. Meaningful tax reform is long overdue. I would think the House Ways and Means Committee would be seriously embarrassed by their inaction. I, and other single parents, wonder exactly what the time table on this glacier is?

Let me personalize tax problems as they affect single parents. I am one of those who may have read about who was the subject of IRS harassment. On two occasions, the IRS chose to audit my returns as a single parent—the first time when my former husband claimed both me and the three children (mind you, this was two years after the divorce) and it was this incorrect filing that triggered an audit of my return, and the burden of proving the deductions and exemptions fell on my shoulders. At one point, I was threatened by the IRS auditor that he would take away *all* my dependent exemptions unless I would "give" some of these exemptions to my former husband. Actually, the auditor also threatened to use my older son's scholarship money against me in computing which of us contributed 50% of the total support. This, in spite of their own printed rulings which state that scholarships are not to be considered as income in such cases. I finally had to utilize the services of a practicing tax consultant to plead the hearing successfully before an IRS examiner. All this, at unnecessary and great expense to me at a time when I could little afford it.

(3) The third area of concern are problems encountered in the areas of credit, mortgages and insurance for the widowed and divorced.

Let me sight a couple of brief examples:

In 1962, I suffered the indignity of being refused automobile insurance coverage simply because I was newly-divorced, and considered a bad risk for that reason. Allstate Insurance Company refused my application, refused even to process it, because I had not been divorced for at least a year. I submit that I was a better driver after my divorce than I was before. Not only that, why could I not be considered as an individual and be judged on my own driving record?

From all that I hear in my organization, insurance discrimination against the divorced and widowed still exists and has not receded at all. From what I am told, I believe it has escalated.

As far as credit is concerned, I've been fortunate. My income level is higher than most single parent women. However, there is one interesting anecdote to indicate discrimination. In May of 1971, I sent an application for a BankAmericard to First Bank and Trust Company in South Bend, Indiana. This was while I was employed as business administrator for eight doctors, managing several X-ray facilities, and my income was indicated near $10,000. Within that very same week, a woman appeared from the BankAmericard Central Office to apply for my job, but I never heard anything directly from BankAmericard. I wrote the banking facility to which the application had been sent and explained what had happened. I also explained that I would still like to have a card. To this day, I have never received an acknowledgement to my application or my letter, nor have I received a BankAmericard.

(4) The fourth concern I have is the problem of divorce and separation and the effect on the education of the dependent children. The education of my children has been my prime motivation these past 12 years. I was stunned when I read my divorce decree in 1961 to learn that no reference or provision had been inserted in the decree for their higher education. This is one area where a national divorce code with mandatory provisions for shared responsibility for the education of children would be of great and lasting benefit. Such provisions will probably not exist as long as states are the control point for the issuance of divorce decrees. In addition, there should be mandatory provisions for the insurance and health protection of those children.

There are many, many reasons for a national divorce code and it could be approached through the states on the same basis that the "no-fault" automobile insurance legislation was approached: minimum standards and a time frame.

(5) Problems relating to the dissolution of marriage will continue to plague us until government makes more adequate provisions in our educational system to provide that all children, equally and fairly, are given the right to learn about marriage, about divorce, about being good, effective parents, etc., in order that they may better prepare themselves for the certainties of their life styles. The recently developed program, "Education for Parenthood", launched by the Office of Education and the Office of Child Development in September, 1972, is most exciting in all respects. This is just the type of thing our nation needs as we view with considerable anxiety the recent trends in marriage dissolution. Hopefully, similar programs in other areas will be developed and launched. My organization continues to be available as consultants and is prepared at all times to share our experience with all governmental levels concerned. Let me also add, Senators, that it is gratifying to know that you are asking us to discuss pertinent viewpoints toward speedy solutions to our shared problems of single parents and their children in our society today . . . and tomorrow.

Thank you very much.

STATEMENT OF MS. CREASY

I was involved with the military for 14 years. Many problems were encountered and, of course, not all of them were militarily connected. Problems common to most marriages become more prominent, however, because of the stresses of military life. Many problems encountered directly result from policies governing military personnel as well as, in some cases, the lack of covering policies.

The overriding problem for enlisted military families is money. Ninety percent of the families I knew in the military found it necessary to "moonlight" in order to survive. No matter how tight the hold on the purse strings, it was necessary for me to work on a full-time basis and for my husband to work part-time, three nights a week plus Saturdays every week. He held the rank of Technical Sergeant, at that time the second highest non-commissioned officer rank.

Even though military pay scales have escalated recently, so has the cost of living. The "tight money" situation for enlisted military families has not altered.

The necessity of "moonlighting" adds its own strain to family life. My children spent more time at under-staffed nurseries and with baby-sitters than in their own home. This factor, plus the added physical stress of "moonlighting", placed my husband and me in an atmosphere where family life was almost nil. Although low finances is one problem nearly everyone encounters at some point, one would think that men in the military service of their government, whatever their rank, would be able to support a small family without the added mental and physical stress of "moonlighting".

One of the biggest financial strains placed on wives of non-commissioned officers came when a decision was made to allow non-commissioned officers to receive family allotment checks along with their monthly pay checks. No consideration was given to the wives and children of non-commissioned officers whose husbands were already using their pay to their own personal satisfaction. This decision was a mistake.

Unnecessary transfers run a close second to financial problems for military families. Undue mental, physical and—again—financial strain is placed on families in the process of transferring from one base to another. The strain is even greater when the family is not allowed to follow.

Moving from one home to another, from one school to another, becomes more difficult as the children get older and friends become closer.

Transfers to overseas bases where life is totally different and where housing is either non-existent or of low quality places other kinds of strain on family life.

Overseas bases where only families of officers are allowed makes the enlisted man feel guilty of his rank. Another strain, perhaps the biggest strain of all is placed on those families where the wife is forced, without advance or continued counsel, to take over the full responsibility as a "head of household".

Military life makes unique demands in many ways and all members of the family have pride in service to our country and do their very best to meet those demands without complaining. However, a woman becoming both father and mother to her children for any length of time learns to be less dependent on her husband, more independent and more capable of being her own

boss. In many cases where the husband is the true foundation of the marriage, the marriage begins to falter with this type of transfer. Every effort should be made by the Armed Services to keep the families together and, where it is impossible to do so because of security reasons or war-time conditions, then counseling should be readily available for those who stand and wait. The divorce statistics of our Viet Nam POWs bear me out.

Is it too much to ask that when a serviceman is taken from his family for six months or more for security reason which cannot be divulged that a senior officer come by and explain the necessity of it to the wife and children in terms they will understand without divulging the necessity of the mission? From my experience, this would have been extremely helpful, and would have saved much strain on many marriages. After all, the percentage of field grade officers and above is at its highest point in military history. While the Armed Services do a good job of "taking care of their own" the word "own" should be more fully extended to include the military dependents, too.

The military does take care of widows and orphans. Divorce, in many respects, has the same effect as death on military dependents. Even worse effects! I believe that there must be a greater concern shown for military divorcees and their children, particularly as they may affect the children in terms of financial supoprt and medical care.

In preparing for this testimony I was advised by a member of our organization, a field grade officer now retired from the Army, that conditions leading to marriage dissolution and resulting single parenthood are more acute in the service than among civilians. This is true because many families cannot adjust to the constant relocating which seems to be required in the military, that breakups are caused by low pay and poor living conditions among the enlisted personnel (many of whom are on welfare), and the necessity of "hardship tours" (one year overseas without family).

He found, as did I, that the military is highly sensitive about releasing any statistics to any organization on subjects which they feel might cause an unfavorable public image. Maybe you can change this. I hope so.

Thank you.

STATEMENT OF MS. YOUNG

Gentlemen, my gross weekly income is $135.00; my net $104.00. I receive no other income for either myself or my children. I can barely meet my expenses, which are greater than they need be because I have to work and that means baby-sitters.

My expenses are also larger because I have to clothe myself for my work, a greater expense than it would be if I were a housewife. Also, I don't have time to prepare economical meals, and I rely on so-called "convenience foods", and one must pay for the convenience. I am one of those heads of households whose tax base is higher, and I pay a penalty because I happen to be a single parent.

In 1957 I was married to a serviceman, attached to Army security, with the rank of SP-4. My former husband attained a rank of SP-5 in 1958, then took a year's separation from the Army in 1958-59. He re-enlisted in 1959 as an SP-5, the grade he left. Prior to our marriage, he had served 18 months in Korea, and his service record was excellent.

Upon re-enlistment, he taught as an instructor at Fort Devens, Massachusetts. He was selected for the Non-Commissioned Officers Academy in New Jersey and from there, he went on to Washington, D.C., for instructorial courses. He was then selected for language school in Monterey, California. His specialty was Arabic. At this time he was promoted to the rank of E-6.

Following language school, he returned to Washington to receive instructions and await orders for assignment to Turkey. After one year in Turkey, he was assigned to Beirut for 2 years and was promoted to the rank of E-7, the Army highest, shortly after his arrival. All throughout his military career he received numerous commendations and recommendations from his commanding officers for outstanding performance.

Prior to my leaving for Beirut with my children, another child was born and, in addition, one of our sons was hospitalized. After my arrival in Beirut, there were five additional hospitalizations for the entire family. I developed meningitus and was later operated on for a tubal ligation which, following surgery, developed serious infections. My husband also had an accident while swimming, and my son suffered complications in a routine tonsilectomy and adenoidectomy.

My husband's assignment in Beirut was extremely demanding, and the pressures were great. In addition, the frequent and serious illnesses of our family plus the death of his father (the majority of the funeral expenses were placed on my husband), the constancy of doctor and prescription bills, the cost of hiring domestic help because of my confinement to bed under doctor's orders all contributed to my husband's suffering considerable mental and nervous tension and anguish.

When we decided that he should seek professional assistance, we discovered that all that was available in Beirut was a physician who could administer tranquilizers. Unfortunately, my husband turned to alcohol for relief, and a distinguished military career began to go down the drain.

There were no medical facilities available to us as a military family in Beirut. We incurred very costly medical and prescription bills. There was no policy established for reimbursement at the United States Embassy in Beirut. My husband's income was in no way sufficient to cover these bills in addition to the day-to-day living expenses.

After many months of medication for my son's ear infections (the operation did not help), it was upon the written statement and strong advice of my son's physician that we returned to the United States for proper medical treatment and change of climate. When my husband put in for a transfer back to the States, he was threatened that if he left his assignment in Beirut he would probably be transferred out of his outfit. And this is exactly what did occur.

While awaiting orders to be transferred back to the United States, my husband received a communication that stated he was no longer with the ASA due to "debt" (hospital, physicians and medication which the military didn't pay and for which the Embassy did not reimburse). The military used this excuse to transfer him from his unit and the resulting humiliation he suffered caused him great anguish. He had great pride in himself, his unit and his career. He was a man torn between his love for his job and his love for his family and it was at this point that he seemed to fall apart and turn totally to alcohol.

When we arrived in the States, the children and I went to Ohio. My husband continued on to his assignment in California. Shortly after reporting to his new assignment, I received a telephone call that he was absent without leave. He later turned himself in and was brought up for court martial. I flew to California and left my five-year-old and two toddlers in Ohio. After long discussions with his defense counsel and his commanding officers, they advised me that he was greatly in need of medical and psychiatric assistance. They did not want to see him court martialled. However, due to his rank, he was to be used as an "example" to others. This was actually told to my husband and me by these officers. Because he was to be an "example", no medical assistance was forthcoming.

At this time, my own physical deterioration was extreme. After the court martial, my husband was assigned to Fort Huachuca, Arizona. Before I left him in California to return to Ohio, my husband's physical and mental state was at an all-time low. After a brief period, he instructed me to bring the family to Arizona and, upon my arrival, I discovered that he was again AWOL. This time, six weeks elapsed before he returned.

He was again brought up for court martial and again demoted in rank. During this entire period, he had one interview with a psychiatrist.

It was at this time that my husband was advised to "leave the military service" He left the service, but not for medical reasons. Thus, my children and I no longer have any consideration as military dependents. There is no support for my children, nor is there any available medical care or other privileges which would be available to us if he had a medical discharge.

During his year's tour of duty in Turkey, my daughter and I were hospitalized in the States. My husband was not able to be with us. In addition to this, the Army's non-reimbursement of our medical bills in Beruit had left us in great financial debt upon return to the States and I was not able to give him very much moral and physical support during his post-Beruit assignments in California and Arizona. These separations created great strains on the family as a unit and upon my husband and me as individuals and in turn, upon our entire marriage.

After Beruit, my husband endeavored to receive reimbursement for our medical bills incurred in Lebanon. They were never honored!

When my husband was assigned to Beruit, our marriage was very sound. I feel that the lack of medical assistance to our family (as well as other families in the service, and I have plenty of examples), no family counseling, no psychiatric care and at that time no recognition of alcoholism as a disease—all of these factors assisted the deterioration of our marriage in a most viable manner.

Because my husband's illness was not recognized at the time of his discharge (after 14 years of active military service) which up to the time of Beruit was commendable, he did not receive the medical discharge for which he was qualified. Therefore, my children reap no military benefits nor do I for their care and support.

The deterioration of my husband due to alcoholism occurred while in the service. It caused great stress upon my children, and I was not able to save our marriage nor was my husband able to cope with his escalating problems. A very fine marriage ended, a very valuable soldier's service was lost to his country and my children and I continue to suffer because of the ineptitude of the military, the necessity of creating "the example" and the "benign neglect" of the fact that military wives and children are people too.

Frankly, it would be better had he died. My children would have greater security if that had happened. He might have died, and it may be that he has. I don't know. I haven't heard a thing for three years.

The ineptitude with which my husband's case was handled, has caused untold emotional stress, particularly for my oldest daughter. The only assistance for her which I can afford is school counseling. She needs much, much more than that.

I might also add that after my husband's discharge and subsequent desertion of his family, our household goods were shipped to Ohio. I went back to Massachusetts with the children. I couldn't obtain a release to have the furniture sent to me because I "needed my former husband's signature". Conseqently, this pedantic attention to red tape caused me to beg from relatives to have a home for my children. I also had to spend money I desperately needed for lawyers to try to obtain my home furnishings. In addition, many of our households goods were sold in Beruit to pay some of the medical bills we owed and for which we were never reimbursed.

The Army must provide for greater cognizance for their families in trouble. Many times I thought that if the system or even one of his commanding officers had the backbone to stand up and fight for my husband that today there would be a whole family unit with a father who is a whole person. The need at that time for decent medical and psychiatric attention was acute but lacking.

Maybe it still is. My nine-year-old son tells people that his father is dead because he cannot accept the fact that he has been rejected. My seven-year-old can't remember his father, and my 12-year-old daughter is fighting a desperate battle within herself about who is to blame for her father's disappearance from her life. If this is not a destruction of the family unit by separation, military ineptitude and basic ignorance, I don't know what you would call it.

Military families have a difficult lot at best. Military men would do a much more efficient job in serving our country if the basic instability of military families caused by low pay, frequent transfers and duty-necessitating frequent and lengthy absences could be alleviated by a greater concern and awareness for the needs of military wives and children, plus more adequate psychiatric, psychological and marriage counseling services. Without that, the problems of the innocent victims of military marriage dissolution, the children, will not be appreciably alleviated.

I do hope you'll do something about it.

Thank you very much.

CONCLUSION

In summary, gentlemen, let me reiterate the fact that there are many, many things our Federal Government can do to alleviate the pain, suffering, trauma and maladjustments caused by marriage dissolution, all of which have deleterious effects on children and youth. I won't take the time to define all the reasons why it is necessary to do so because they are more eloquently stated in the testimony than I can articulate in a summary.

The four of us did not spend very much time talking about what single parents consider to be the most critical area of need . . . meaningful Day Care and Child Development legislation. From all that I have been told by not only my own 90,000 members but every single parent with young children I have talked to, this is the *Number One Priority*. Hopefully, forces can again be mustered to make this legislation a reality. Our nation needs it now, our children need it now, and it is their *right* as well as the right of those yet unborn *to have it*. It simply must be done. I might add that as this testimony is being drafted in its final form (Thursday, September 20) our expert on the subject of Day Care had to cancel her scheduled appearance with us . . . she couldn't find anyone to take care of her children.

In addition to unvetoed Day Care and Child Development legislation, my organization also suggests the following:

1. A total end, in fact as well as theory, to class discrimination based on sex or marital status in the areas of housing, credit and insurance.

2. Immediate tax reform which, in fairness and equity, will equalize the tax base between married couples and heads of households; such legislation to provide for the deduction of child care expenses as a *business* deduction rather than a personal deduction and, in addition, a percentage consideration for the dependent deduction when two parties not in the same household contribute to child support.

3. A re-examination by the Armed Services as well as other governmental departments of all policies covering transfers and family relocations. (I've been told by many marriage counselors, psychiatrists and psychologists that the chances of marriage dissolution rise sharply—at least 50%—following a family relocation. I believe it.)

4. The Armed Services should re-examine all their policies covering dependents with particular reference to control of allotments for child support and alimony.

5. Uniform standards by all states in divorce codes should be encouraged by the Federal Government with particular attention to "no-fault" provisions. The archaic divorce codes in many of our states encourage the adversary system in divorce practice by lawyers and usually brands a party "guilty" or "at fault." This does not end the contentiousness which a divorce purports to cure and has long term, deleterious effects on children.

6. Uniform child custody and support laws and enforcement.

THE IMPACT OF THE INCOME TAX ON THE FAMILY

(Testimony of Harvey E. Brazer, professor of economics and research associate, Institute of Public Policy Studies, the University of Michigan)

Within the tax structure of the Federal Government only the individual income tax bears directly on the stability of the family. My concern in these remarks is not with the effects of the weight of taxes in general. It lies, rather, with those features of the tax law that impose heavier burdens on the family headed by two adults as compared with the single-head family.

The joining together of two people through marriage to form a household—or their separation through divorce or death—need not be permitted to affect tax liability by more than the consequences of adding or dropping a dependent's exemption. As in Canada and some other taxing jurisdictions, a man and a woman each of whom receives income, may pay jointly the same amount of income tax irrespective of whether or not they marry or, if married, stay married. The problem arises in this country in part because under our law the unit for taxation is, essentially, the household, rather than the individual. And under an income tax that aims at taxing people according to their relative economic power of wellbeing, this is as it should be. At the same time, however, under this approach it is difficult to steer a course between the single individual, the single head of household, and the married couple that will do justice to all and also avoid either imposing tax penalties on, or offering tax bonuses for, marriage. On the other hand, the alternative of ignoring the marital status of the tax payer, largely or entirely, inevitably results in vastly different treatment of similarly circumstanced economic units or households.

In the discussion that follows it should be kept in mind that the institution of marriage may no longer be as easy to define as it once was. Changing social mores suggest that formal, legal marriages coupled with "no-fault" divorce laws, may be increasingly difficult to distinguish from less formal or non-legally sanctioned liaisons that appear to be gaining more widespread acceptability. To the extent, therefore, that "marital status" becomes more a matter of legal form rather than a description of living arrangements relevant for measuring economic and, therefore, taxpaying capacity, any differential impacts of the income tax that turn on the distinction between married and single individuals take on greater weight and may be hitting an increasingly fragile institution.

I shall discuss first the principal features of the United States income tax that differentiate between married and single taxpayers. These are the rate structure, the low income allowance and the optional standard deduction, the medical deduction, the child care allowance, and the capital loss carryover. This is by no means a completely inclusive list, but for all except a small handful of taxpayers other aspects of the tax code that make tax liability turn in some part on marital status are irrelevant esoteria.

THE TAX RATE STRUCTURE

From 1948 to 1969 married couples enjoyed the privilege of being taxed as though they were single individuals each having half of their joint incomes. In 1951 approximately half of the benefits of income-splitting was extended to single persons who maintain a home occupied by one or more dependents. For individuals with substantial incomes who contemplated marriage with someone whose income was zero or relatively low, the law offered the opportunity, through income-splitting, to "marry into lower brackets." It also brought enormous pressures for change from single persons subject to very much higher tax rates than their married compatriots who enjoyed equal incomes. Until the 1969 Revenue Act took effect the single taxpayer's tax liability exceeded that of the married couple with the same taxable income by an amount that ranged from 3.6 percent at taxable income of $1,000 to 25.2 percent at $12,000, and a peak of 42.1 percent at $28,000.[1] Expressed in this fashion the tax law seems to have dealt harshly with the single person and most generously with the married couple only one party to which had income. It was, however, very well suited to the case of the married couple with income equally attributable to husband and wife, as compared with the single taxpayer with income equal to one half of that of the couple. Stated another way, under the pre-1970 law if brothers A and B and sisters X and Y each had $10,000 per year of *taxable* income and continued to do so after they became married couples AX and BY, marriage would not have affected their tax liabilities.

The Revenue Act of 1969, however, changed all this. While the tax rates applicable to married couples filing either joint or separate returns remained unchanged, for single individuals rates applicable to taxable income in the brackets $4,000 to $6,000 up to $38,000 to $44,000 were reduced by from 1 at $4,000 to $6,000 to 10 percentage points at $20,000 to $26,000, or by as much as 20.8 percent (from 48 to 38 percent in the $20,000 to $22,000 bracket). As a consequence our tax-

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[1] Staff of the Joint Committee on Internal Revenue Taxation, *General Explanation of the Tax Reform Act of 1969, H.R. 13270, 91st Congress, Public Law 91-172* (Washington: U.S. Government Printing Office, 1970), p. 224.

payers A, B, C, and D each would pay tax of $2,090 as unmarried individuals, for a total of $8,360. As they contemplate marriage, however, they now observe that their joint tax liabilities will rise, after marriage, to $8,760. Thus the change under the 1969 Revenue Act in the rate structure in the circumstances described has imposed an annual tax of $200 per couple on marriage!

Those who may file tax returns as heads of households are placed approximately half way between single persons and married couples filing joint returns in the construction of the tax rate schedules. And the tax costs of marriage vary with income and the proportions of income attributable to each member of a married couple. Thus it is difficult to generalize about the penalty borne by marriage under current tax rate schedules. Clearly it may be negative or zero, either where income is very low or where substantially more than half of the couple's income is received by only one of the parties, while it rises to a very large sum where income is high and equally divided between the two spouses. For example, if the man and woman each earns $50,000 in taxable income per year, as single individuals they would pay income taxes of $20,190 each, or $40,380. The "tax price" of marriage is $4,800, for as a married couple their tax liability would rise to $45,180. And, of course, if all of the $100,000 of taxable income was earned by either the husband or wife it could be divided evenly between them through marriage followed by divorce and an appropriate alimony agreement, with a tax saving to the couple of almost $5,000 per year. At the other extreme, with only $1,000 of taxable income accruing to each individual, marriage would actually save $5 per year. I will not speculate on the implications of these figures for the attitude of the Congress with respect to the relation between income and virtue.

THE OPTIONAL STANDARD DEDUCTION AND THE LOW INCOME ALLOWANCE

Taxpayers may not avail themselves of one of three options for handling non-business deductions. They may take itemized deductions for state and local taxes, charitable contributions, interest paid, medical expenses, and a miscellany of other expenses. Or they may choose instead the optional standard deduction of 15 percent of adjusted gross income subject to a maximum of $2,000. The third option is the low income allowance of a flat $1,300. The choice between the standard deduction and the low income allowance turns simply on income. Up to $8,667 the low income allowance exceeds the standard deduction and will be taken unless itemized deductions are greater than $1,300.

The standard deduction and the LIA are so designed as to impose tax costs on marriage because they apply under the same terms to married as to single taxpayers. Thus, for example, returning to brothers A and B and sisters X and Y, let us suppose that each has $12,000 of adjusted gross income. Collectively, while single, they would be entitled to $7,200 ($1,800 x 4) in standard deductions. But following the marriages of A and X and B and Y, other things remaining the same, the standard deduction permissible is reduced to $2,000 per couple, for a reduction of $3,200 in total and an increase, on this account, of some $600 in the tax liabilities of the four people.

The operation of the low income allowance has a similar impact on marriage. Suppose two people each with adjusted gross income of $5,000. As single taxpayers each is entitled to a LIA of $1,300, or $2,600 in total. If they now marry their combined income of $10,000 entitles them to only a standard deduction of $1,500, for a loss of deductions of $1,100. In this instance marriage costs over $150 per year in additional tax liability.

It should be noted, of course, that married couples cannot regain the tax advantages of status as single taxpayers by filing separate returns. In the case of separate returns the LIA permitted is only $650 per return and the maximum standard deduction is reduced to $1,000. Divorce, once more, is the clear-cut answer to the problem!

THE DEDUCTION FOR MEDICAL EXPENSES

Medical expenses may be taken as an itemized deduction only to the extent that they exceed 3 per cent of adjusted gross income and the costs of medicine and drugs count as medical expenses only insofar as they exceed 1 per cent of AGI. In cases where most or all of such expenses are incurred in behalf of one spouse the medical expense deduction may be substantially larger if that spouse both has income and can file as a single taxpayer.

As we have seen, divorce is one way in which single taxpayer status may be attained and the income of a couple divided between them. Suppose that (1) married couple AX has AGI of $20,000, all earned by A, and (2) medical expenses of $1,000 and $200 of drug costs are incurred in behalf of X. Filing jointly as a married couple, AX may deduct only $400. But if A and X, following a divorce, were to divide their income so that X received $8,000 and A $12,000, the medical expense deduction available to X would be $880,[2] or $480 higher.

Obviously any of an infinite number of combinations of income and medical expense allocations between married couples is possible. The foregoing numbers are merely one illustration. As such the numbers have no particular significance other than to demonstrate another, probably minor, burden that the income tax law may impose on marriage.

THE CHILD AND OTHER DEPENDENTS CARE ALLOWANCE

As much as $400 per month or $4,800 per year may be deducted for the costs of household services or for the care of one or more dependent children under the age of 15 or an incapacitated spouse or dependent when such costs are incurred in order to enable the taxpayer to be gainfully employed. This amount is deductible, however, only if AGI is equal to or less than $18,000. Above that level the amount of the allowable deduction is reduced by 50 cents for each dollar by which AGI exceeds $18,000. Thus at AGI of $27,600 the deductible amount is reduced to zero.

Let us suppose now that a married couple with two children under the age of 15 earns $36,000, divided evenly between husband and wife. At this income level they are not permitted to deduct anything that may be spent for household services or for the care of the children. If, however, the marriage is terminated and one child is assigned to each parent, since we now have two AGIs of $18,000 rather than one of $36,000, the total allowable deduction for household services or child care may amount to as much as $9,600. Thus entirely apart from the tax savings accruing from the dissolution of the marriage because of other aspects of the law, this one feature by itself may cut taxable income by close to $10,000 and provide a tax reduction of some $2,500.

It should be remembered that the kind of tax impact noted here is not applicable merely to younger or young middle-aged taxpayers with children under age 15. It applies as well to taxpayers who may be responsible for incapacitated parents or adult children. And, while one may strongly favor this liberal treatment of the kind of expenses under discussion, the very large difference in the treatment of single as compared to married taxpayers is striking indeed.

THE DEDUCTION FOR CAPITAL LOSSES

Net capital losses in any one year may be deducted from other income in an amount of up to $1,000. The excess may be carried forward indefinitely and, if not offset by capital gains, the carryover is, again, deductible from ordinary income to the extent of $1,000 per year.

The $1,000 limit applies irrespective of the marital status of the taxpayer. Thus if both husband and wife have suffered substantial capital losses and neither the current year nor succeeding years bring offsetting capital gains, they could double the amount deductible on this account if they attained single status as taxpayers.

This feature of the tax law as it impinges upon marriage is probably not of major quantitative importance. Nevertheless, it does, once more, raise the question as to whether any element of the tax code should operate in such fashion as to bring a higher tax liability simply by reason of the fact that the taxpayers are married rather than single.

OVERALL IMPACT ON MARITAL STATUS

To this point we have been looking at selected aspects of the individual income tax with each of them viewed independently of the others. In an effort to gain some additional perspective it may be helpful to look at the tax consequences of marriage under some illustrative circumstances with respect to level of income, the distribution of income between husband and wife, and the nature of non-business deductions. In Table 1 some hypothetical tax liabilities are presented. In the first row of this Table we have the liabilities incurred by taxpayers filing joint returns. In the two rows that follow the computations are based on the assumption that income is split equally between the dissolved marriage partners, either because one half was earned by each or because alimony equal to one half of AGI is paid to the ex-spouse. In the second row each of the parents is assigned one child and thus they both file tax returns as heads of households, while in the third row both children are assigned to one parent, who qualifies as a head of household, and the other parent files his tax return as a single individual.

It will be observed that an even split of both income and children always, in the illustrative cases presented, produces the smallest tax, liability. The difference in income tax liability may amount to as much as $98 per year even where AGI is only $5,000, and that difference rises to a range of about $1,500 to $2,500 at an AGI of $40,000, depending on whether or not deductions are itemized. These figures, however, do not include the effects, described earlier, of the treatment of medical expenses and costs of household services and care of dependents, and the capital loss effect. Thus in the case of the couple with AGI of $40,000, for example, dissolution of the marriage could permit further deductions of $9,600 for household services and child care, an additional $1,000 deduction for capital losses, and $600 of medical expenses not deductible in the joint return. This $12,200 in reduced taxable income could bring the tax saving, assuming itemized deductions are taken, from less than $1,500 to as high as $5,000 per year. This amount represents nearly one-sixth of the after-tax income available to the couple filing a joint return. Similar calculations would offer startling, but less dramatic, evidence indicating how expensive marital ties can be under the Federal income tax, even at low or moderate income levels.

[2] $1,000 + $200 — .01($8,000) — .03($8,000).

TABLE 1.—EFFECTS OF MARITAL STATUS ON TAX LIABILITY, FAMILY OF 2 PARENTS AND 2 DEPENDENT CHILDREN, SELECTED INCOMES

[Tax liability in dollars]

Type of return and income and family split	AGI $5,000		AGI $10,000		AGI $20,000		AGI $40,000	
	LIA	Itemized deductions [1]	Standard deduction	Itemized deductions [1]	Standard deduction	Itemized deductions [1]	Standard deduction	Itemized deductions [1]
Joint	98	79	925	785	3,010	2,586	9,920	8,270
Head/head; 50-50; 2-2	0	78	[2] 672	756	2,520	2,367	7,390	6,800
Head/single; 50-50; 3-1	62	207	[3] 702	800	2,625	2,518	7,725	7,202
Maximum difference	98	1	253	29	490	219	2,530	1,470

[1] Itemized deductions as a proportion of AGI assumed to be equal to the average for the AGI class on joint returns filed in 1970. Computed from U.S. Department of the Treasury, "Statistics of Income, 1970, Individual Income Tax Returns" (Washington: U.S. Government Printing Office, 1972)

[2] Low income allowance used on each of 2 $5,000 AGI returns.

TAX POLICY AND FAMILY STABILITY

It is difficult to believe that the pecuniary incentives for dissolving marriages that are currently offered under the individual income tax are of no influence on people's decisions in this area. And the influence exerted can hardly be conducive to improved family stability. I leave it to those better qualified than I to attempt to gauge the effect. Having attempted to spell out the dimensions and sources of the tax pressure on marriage, I will venture some suggestions as to how that pressure might be reduced or eliminated. It may tempt some, as a means of enhancing family stability, to go further in the direction of favoring marriage through the tax system. I reject this for two reasons. The first is that if married couples enjoy tax concessions these concessions will appear inequitable to widows and widowers and the "wronged" parties to divorces, none of whom chooses to be unmarried. And if the special tax treatment is extended to such people holding the line against only some single people seems neither equitable nor politically viable. My second reason is that legally identifiable and recognized marriage may or may not involve interpersonal relationships that are substantially different from those that may obtain in the absence of legal or religious sanction. Men of the cloth may preach, and any of us may moralize, but surely the tax code is not the appropriate vehicle for rewarding virtue or punishing sin. Rather, it seems to me that the tax system should incorporate a completely neutral stance in this regard.

With respect to the rate structure under the income tax, neutrality requires that income be taxed to the individual who earns it or to whom it accrues. Each individual in receipt of income would be a unit for taxation, including each of the two marriage partners. If one spouse had less than some minimal income he or she could be given dependency status. Putting aside problems relating to property income, this approach would ensure that entry into or the dissolution of marriage would leave tax liability unaffected.

Property present difficulties because of community property rules in eight states, and because property may readily be divided between husband and wife and tax liabilities thereby reduced in the absence of joint returns and income-splitting. It was the first of these considerations that led the Congress to introduce income-splitting in 1948. But the results would have been far preferable if, instead, the Congress had provided that state laws with regard to community property were not to be permitted to govern in allocation of income for purposes of the Federal income tax. It is this move that I urge at this time.

The distribution of property among family members now provides a means of reducing income tax liabilities. My proposal would simply add the spouse to the potential beneficiaries and would not pose a new set of problems. Whether or not the suggested change should be contemplated, there is much to be said for either a gift tax with a much more substantial bite than that imposed under present law, of the inclusion of major gifts in the income of the donee.

I would not be concerned about the allocation of exemptions for dependent children between parents as taxable entities. As I suggested at length elsewhere,[3] the present form of the exemption would be better abandoned in favor of an income-conditioned children's allowance patterned along lines not very different from the Family Allowance Plan that was passed in the House but failed to gain approval in the Senate last year.

The problems presented by the cost of household services and child care deduction are readily solved. If the deduction is warranted for a couple with income of up to $18,000 it should also be warranted at higher levels of income. Thus all that is required is that the provision under which the deductible amount is reduced as income exceeds $18,000 be dropped.

If my first proposal, re-establishing the individual as the taxable unit, should be adopted neither the capital loss offset of not more than $1,000 against other income nor the LIA or standard deduction would continue to present problems. Difficulties arise now because the amount of these deductions available is made to turn on whether two people are or are not married. Under the suggestions offered here each income recipient would constitute a taxable entity irrespective of his or her marital status. Thus neither marriage nor dissolution of marriage would affect allowable deductions for capital losses, optional standard deduction, or LIA. Much the same can be said for the medical expense deduction.

I suspect that the present income tax, despite its obvious shortcomings, is not a major influence on family stability. But it does seem to me both inequitable and potentially disruptive of an institution that has served our society well (for the most part), to continue in the tax law those features that permit tax liability to turn in some appreciable measure on one's marital status. It distresses me to think that A may never marry X on advice of their tax accountant.

[3] "The Federal Income Tax and the Poor", *California Law Review*, April, 1969.

MARYLAND INSTITUTE FOR EMERGENCY MEDICINE

Mr. BEALL. Mr. President, the August issue of "Contemporary Surgery" featured an article on Maryland's statewide effort in the emergency medicine area.

The State has established a Maryland Institute for Emergency Medicine which has been given the mandate by the Governor to move statewide. I have been in close contact with Dr. R. Adams Cowley, the Director of the Maryland center and worked with the State in securing a grant to develop its communication network. It is estimated that a statewide system in Maryland, when operational, will cut the accidental death rate in our State in half. Because of the interest in emergency medicine, I ask unanimous consent that this article be printed in the RECORD. I believe it illustrates the need and importance for the enactment of the emergency medicine legislation which I feel confident the President will sign.

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

STATEWIDE TRAUMA CARE: MARYLAND INSTITUTE FOR EMERGENCY MEDICINE

The Maryland Institute for Emergency Medicine is now designated the "systems control center" of a new statewide program—a program that will radically affect every hospital emergency room in the state. Based at the University of Maryland in Baltimore, the institute is unique in having a statewide network of radio communications and interhospital collaboration centered upon it, unique in its agressive treatment of patients by teams of doctors and other personnel who are forewarned and waiting when the patients arrive by helicopter or ambulance, and unique in the fast processing of laboratory data.

The program's multidisciplinary approach combines these life-saving measures with hour-by-hour basic research into many aspects of trauma and its treatment. This includes the investigation of shock as a metabolic disease process at the cellular level. Dr. R Adams Cowley, director of the center, also heads the state's new Division of Emergency Medical Services.

The origins of the institute (formerly called the Center for the Study of Trauma) go back to 1956, when Dr. Cowley, a heart surgeon, became interested in studying shock. At that time, he recalls, "the main problem was getting the patient off the pump with the right amount of blood." This was done, rather cumbersomely, by weighing the patient before and after surgery, making allowances for preweighed tubes and other paraphernalia. To apply Dr. Bill Esmond's suggestion that measurement of pressures in the right atrium would provide a good index, Dr. Cowley started trying to develop an animal model for shock. The first thing he discovered was that he couldn't match the findings reported in the literature. "Nobody had experiments that could be duplicated, yet everybody was talking about therapy."

Study of 1,000 shocked dogs convinced Dr. Cowley of two things. First, predictions of what physiologic sequences would cause death or permit life could not be made intelligently unless mathematicians, biochemists, and other specialists were directly involved. Second, species differences are so great that if the results were to be therapeutically useful, the kind of data he was collecting from dogs had to come from humans.

But shock is a "pause in the act of death," and when a human being is in shock, the task at hand is to keep him from dying.

Lifesaving measures cannot be interrupted for research; you can't stick data-collecting devices into the patient unless you are thereby aiding his survival. In 1959, when Dr.

Cowley first asked the Army to finance shock research on people, the Army was leery of human experimentation with prolonged insertion of catheters in the heart, arteries, or veins because of the risk of clotting or infection.

From 1960 to 1964, Dr. Cowley's two-bed (later four-bed) shock trauma unit developed a data bank showing that physiologic variables gave very little indication of who would live and who would die. "That proved we were handling those factors pretty well," Dr. Cowley says. "It was the enzyme, carbohydrate, and protein studies that told us what was bad." Patients who did not survive were autopsied to see what organs were most damaged by shock and whether a characteristic injury could be discovered. "Everybody (including ourselves) was talking about the lung, but lo and behold it was the liver. Once that little chemical factory goes, you've had it, no matter what your physiologic test show."

By 1964, Dr. Cowley recalls, work at his unit had demonstrated that one can collect complex data without interfering with treatment. From 1964 on, the research techniques—including intensive physiological, biochemical, and clinical monitoring—increasingly became part of the routine treatment of patients admitted to the unit. "To do these kinds of studies, we had to develop expert techniques of patient care that in any other environment would be risky."

By now, the institute has grown a long way beyond the original two beds. It occupies a separate five-story building with its own admitting area distinct from the university hospital's emergency room; two new operating rooms right next to the admitting area (last year, before these were opened, 15 patients died on the way to the hospital OR); a 24-hour clinical laboratory serving only the patients in the institute; a 12-bed intensive care unit; 14 additional beds for somewhat less intensive monitoring; and a large hyperbaric chamber. About 80 physicans, nurses, and other personnel are on the staff, which serves some 1,000 patients annually. According to plan, the building will expand eventually to eight stories, with the heliport on its own roof rather than on that of the nearby hospital garage. Patients are now transported to the admitting area by fire department ambulance, and during this five-minute ride the patient is undressed and examined neurologically.

HELICOPTER PROGRAM

Accidents are the number one cause of death in the U.S. in persons under age 37 and the third leading cause of death in the whole population, ranking right behind cancer and heart disease. Seventy per cent of accidental deaths occur in rural areas, where good emergency medical services are often least available. In the cities, only one auto accident injury in 70 results in death; in rural areas the ratio is one in 20. The Maryland program uses helicopters to bring in far-away patients who will die unless treated promptly.

Out on the highway, the helicopter pilots try to control external hemorrhage and establish a clear airway, but other than that they concentrate on getting the patient to definitive care as fast as possible rather than using their other paramedical skills. One additional thing they sometimes should do, suggests Dr. William Gill, clinical director of the institute, is to insert a flutter valve when there are signs of pneumothorax. "It can do no harm even if the patient does not have pneumothorax," he says.

Four fast, light Bell Jet Ranger state police helicopters (seven, it is hoped, by next year) spend about 10% of their time in the emergency medical services program, which gets absolute priority over such other tasks as chasing criminals, controlling traffic, and looking for marijuana fields. The pilots have had 81 hours of standard first aid training plus a two-week course at the institute where they learn by observation what types of patients should be brought there. They return to work at the institute one week each year and take additional upgrading courses as well.

About 60% of the patients the pilots bring in come directly from a highway crash. Most of the others are interhospital transfers including some nontrauma patients with severe postoperative peritonitis or septicemia. "Any doctor in the state can phone in if he's in trouble, and we'll take the patient, usually without any question," says Dr. Gill. "Only about 4% or 5% come here who probably shouldn't."

With the increasing effectiveness of the helicopter program over the last few years, patients in worse and worse condition are being brought in, yet the institute's survival rate has risen from 46% to 80%. Even patients declared dead by a physician at the roadside have been brought in and saved. "Our mortality rate includes the DOAs," says Dr. Gill. "We have got to find out why they arrive dead. It is ludicrous not to count those who die in the first hour or the first four hours." Without the streamlined organization and pre-existing plan involving multidisciplinary teams of surgeons, the survival rate would undoubtedly be much lower. Most emergency rooms, lacking facilities and staff, could not hope for such a survival rate with a comparable patient group.

ADMITTING AREA

Within minutes after a patient's arrival in the admitting area, there will be as many as six intravenous lines connected; blood gas and other laboratory data will be coming back from the lab via teleprinter and intercom; and surgeons may be working simultaneously on the patient's brain, abdomen, and fractures. X-rays are taken on the spot; equipment is set up and ready in adavnce. Doctors, nurses, and lab personnel are on hand around the clock. Nurses needn't chase around for special surgical equipment, because it's all right there, neatly wrapped and classified. Fast-moving, aggressive treatment is done almost by rote, and the resemblance to activity in an average emergency room is minimal.

LAPAROTOMY IS PERFORMED ON ALL PATIENTS WITH POSITIVE TAPS OBTAINED BY ABDOMINAL LAVAGE

"We treat before we diagnose," says Dr. Gill. "If you waste time the old-fashioned way, listening to the patient's abdomen, he's dead." Sometimes a patients' abdomen will be opened without asepies in the admitting area so that the surgeon can squeeze the abdominal aorta with his hand as a start at getting the blood pressure up above zero.

The Maryland group believes that traditional abdominal inspection and palpation are virtually useless in multiple trauma. Chest injuries are likely to make the abdominal muscles tight, and the presence of drugs or alcohol may result in a misleading evaluation. Nor does the institute rely on the ordinary needle-and-syringe method—or even the four-quadrant tap—for checking the abdomen. Instead, abdominal lavage is performed; a purse-string suture is used on the incision to prevent blood from getting into the liter of sterile solution that is poured in through the abdomen. This solution fills the entire peritoneal cavity and then drips out by gravity. If the solution is pink when it comes out, there is trouble inside.

"This test is very accurate—almost too accurate," says Dr. Gill. "It will pick up even two or three drops of blood from small torn vessels within the peritoneal cavity. The question is, when the solution is very, very pale pink, what do you do? We think you should do a laparotomy on all patients with positive taps. Even in patients with very pale pink taps one third have significant injuries inside. We believe getting that one at the start outweighs the two negative laparotomies."

Dr. Gill cites a study of 100 consecutive autopsies of patients who died of trauma. It showed that 18 of the deaths were due to simple abdominal injuries that had not been diagnosed. "For the one third who need it [laparotomy], each day you wait the morbidity and morality will rise. In emergency problems like these, the risks of missing something far outweigh the very small risk of exploratory laparotomy. You have to accept the concept of the negative laparotomy as 'the final diagnostic test'; when you look and see, you miss nothing. We do not regard negative exploration as a fault but actually as part of treatment."

MANAGEMENT

"In over-all shock management we rarely resort to pharmacologic agents such as vasopressors or alpha and beta blockers," says Dr. Gill. "We agree with Dr. Max Weil and his group in Los Angeles that everything still revolves around adequate ventilation and adequate volume replacement. The vast majority of patients with shock caused by blood loss or septicemia need a volume expander and will respond." The unit does use such cardiac stimulators as digoxin.

With spinal cord injuries, however, the body's ability to dilate and compress blood vessels may be thrown off. "Sometimes we can get adequate pressure merely by tipping the table, or vasopressors may be indicated even though they are contraindicated in almost every other type of shock," says Dr. Gill.

Uncross-matched O positive blood is used freely—about 250 units a week for an average of about 20 patients. Packed cells are used, with plasmanate to make up the volume. Platelets and fresh plasma are given routinely, in correlation with the amount of blood transfused. Blood temperature is watched closely. "You get irreversible shock unless you pay close attention," Dr. Gill comments. "Most blood warmers are not suitable for emergency use. The long coil makes it hard to get blood in fast enough." Although adequate techniques for warming blood are still not available, a special effort is made to do so early. Crystalloid solutions are avoided because of the risk of overloading lung cells with fluid.

"We feel that arteriography has only a small part to play in the critical emergency admission," says Dr. Gill. "Some writers report in the literature that it is the best way to diagnose spleen injuries; we think that's nonsense."

Routine carotid arteriography, on the other hand, is an important part of the institute's approach to head injuries. According to Drs. James Dunn and Ron Paul, neurosurgical members of the Maryland team, the institute has reversed the mortality in head injuries—and not by conventional means. The institute's aggressive approach includes prompt bilateral carotid arteriography for almost all patients with suspected head injury. Continued monitoring of intracranial pressures via a catheter inside the brain is used extensively in severe head injuries, both open and closed. In the latter, the catheter is inserted through a hole drilled in the skull.

Trauma patients with uninjured lungs run a high risk of succumbing to respiratory failure even if they survive the original injuries. At the institute, however, Dr. Gill says "we find we have hardly anything you could call shock lung." He attributes this to an aggressive preventive approach: Nearly all incoming patients are placed on respirators, with continuous positive and expiratory pressure ventilation. This technique, which never allows the lung to relax completely, was introduced by Dr. Thomas

Crawford McAslan, professor of anesthesiology and associate clinical director of the institute. Dr. McAslan noted that the lesions seen in shock lung resemble those of the postperfusion lung syndrome, which he had prevented by the same method—years ago, before he came to the trauma unit—while performing open heart surgery with Dr. Cowley.

With fractures, too, the institute's approach is aggressive. "We aim as much as possible at definitive surgery and internal fixation rather than treatment of fractures with traction or splints," says Dr. T. H. Morgan, orthopedic surgeon. The Maryland group considers fracture treatment part of the basic multisurgical teamwork because, if it is not done as soon as possible after the injury is sustained, the risk of infection becomes greater. The institute's approach makes the patient much more easily movable, and it avoids interfering with the treatment of other injuries.

DATA COLLECTION

Once a patient's condition has been stabilized he is moved from the first floor of the insitute, which contains the admitting area and the operating rooms, to the 12-bed intensive care unit (see photograph, page 35) on the top floor. There, treatment is guided by an innovative system of bedside monitoring and automatic centralized data recording that is designed to serve the needs of research as well as therapy. An acute clinical laboratory, operating 24 hours a day, every day of the week, provides blood chemistries and other laboratory studies every six hours (more frequently when necessary) for critically ill patients.

The automatic data collection system monitors cardiac output, central venous pressure, heart rate (analog-computed from the electrocardiogram signals), and temperature (via a rectal thermistor probe), as well as respiratory gases and pulmonary function. Almost all patients have tracheostomies or endotracheal tubes. Breath by breath, air samples are drawn to the nursing station and are elevated at the center of the 12-bed unit. These samples are then automatically put through a mass spectrometer, which rapidly ionizes the gases and sorts the ions magnetically. A Wang desk calculator correlates the signals from the O_2 and CO_2 channels of the spectrometer with airway pressure and with ultrasonic air flow measurements to provide a complete respiratory picture.

This relatively inexpensive minicomputer is now being programmed to provide for all patients an hourly printout (or a minute-by-minute printout for any individual patient) that includes temperature, heart rate, systolic and mean blood pressure, frequency of respiration, tidal volume, minute ventilation, pulmonary compliance, and airway resistance. It also provides airway pressure at the end of expiration, alveolar pCO_2 and pO_2, fractional concentration of inspired oxygen, rate of oxygen consumption, respiratory exchange ratio, calories consumed (based on oxygen consumption and respiratory quotient), cardiac output, and expired CO_2 tension.

Dr. Stephen Z. Turney, the institute's expert in respiratory physiology and life support systems, emphasizes the economy and practicality of the system. The $7,000 Wang calculator is relatively inexpensive. It can store 1,000 sets of instructions, control the $14,000 mass spectrometer, read an analog-to-digital converter, and edit out spurious or noisy signals. "People with a vested interest in a medical school's big computer haven't helped much except to make things more complicated and more expensive," Dr. Turney comments.

A second, off-line, Wang calculator has access to the same memory as does its on-line, real-time cousin. The second calculator facilitates the correlation of each patient's laboratory studies ("anything you can put a number to," as Dr. Turney puts it) with the data monitored automatically.

MULTISYSTEM ANALYSIS

In severe trauma, Dr. Cowley says, "it's time for physicians to get out of the art of medicine and into the science of medicine." And one of the institute's current projects is "putting a number" to as many aspects of the post-traumatic process as possible. This "quantification of injury" goes far beyond the clinical judgment of anatomic damage to various parts of the body. For every tissue, except those in the brain, biochemical parameters are being developed that will serve as an index to the extent of cell death and cell injury. The goal is to study the efficacy of treatment more objectively with the aid of a single multisystem analysis of relative total-body failure. Data from the institute's trauma registry, directed by Dr. David Wilson, are being fed into the computers of the statewide Illinois trauma service (developed by Dr. David Boyd, formerly of the Maryland institute staff) and into the computers maintained by the Army at the Aberdeen and Edgewater biological research installations in Maryland.

The institute's methods of mapping the fast-moving metabolic changes that follow injury are based on the pioneering work of Dr. Francis Moore in Boston and draw heavily from current hormonal studies in many institutions. "But what makes this place unique," says Dr. William Long of the Maryland group, "is that our patients are basically preselected. We're looking at a much more severely injured group of patients than Dr. Moore studied, with far greater circulatory changes and hormonal disturbances." The breakdown of fat and protein for energy purposes is massive. "We see catabolism like hardly anyone else in the country sees," says Dr. Howard Champion. Dialysis is being started earlier and earlier in an attempt to improve survival rates.

Almost every patient at the institute receives parenteral hyperalimentation. "This has been neglected for a long time," says Dr. Alistair Conn. "It's becoming clear that trauma patients need it to keep from wasting away." But with the standard solutions currently used for hyperalimentation in this country, a patient's daily requirement of 8,000 or 9,000 calories (together with up to 200 or 300 units of insulin to maintain blood glucose levels) creates osmolality difficulties and other complications. The renal failure that is produced by protein breakdown makes the fluid requirements of hyperalimentation much more important for the institute's patients than they are for routine postsurgical patients.

Clinicians at the institute hope to surmount these problems by using fat emulsions and fat solutions in addition to proteins and carbohydrates, thus raising the number of calories per unit of volume. This approach has worked well in Europe, but it is still legally restricted in the U.S. Dr. Philip Gold and other researchers at the institute hope to put hyperalimentation on a less intuitive basis by means of radioactive tracer studies of the metabolism of glucose, lactate, fatty acids, and amino acids.

"Dr. McAslan's treatment is preventing shock lung," says Dr. Champion, "but shock liver is still a wide open field." Shock liver is usually accompanied by renal failure, and in multiple trauma patients it is usually fatal. Up to now the pathologist's picture of shock liver has been clearer than the clinician's or the biochemist's, but researchers are hoping that data from the institute's unique preselected patient population will help close this gap. For one thing, Dr. Edgar Neptune, research director, is interested in determining whether pharmacologic control of cyclic AMP can improve the patient's status. "We hope to define the natural history and course of shock liver by the end of this summer," says Dr. Long.

At the cellular level, one focus of research at the institute is the attempt to understand changes in energy metabolism, especially what happens to ATP production by the mitochondria. Patients who die of severe trauma and shock or of systematic infection have shown an impaired ability to produce ATP, while patients who die of pure central nervous system injury still have intact mitochondria as far as the production of ATP is concerned. These findings are supported by results of electron microscopy and time-of-death mitochondrial activity study of tissues obtained in the institute's innovative "instant autopsy" program; University of Maryland pathologists, under the direction of Dr. Benjamin F. Trump, remove tissues from 19 sites within a few minutes after heart death.

Not surprisingly, kidney tissue shows the most mitochondrial failure at the time of death, with the liver second. Little failure is seen in the heart. (Brain mitochondria are difficult to isolate). Is mitochondrial failure the critical parameter in cell necrosis? And what mechanism causes the damage? The institute's biochemical team, which is headed by Dr. Neptune, is seeking answers to these questions.

Unlike those who had thought that mitochondria are very susceptible to anoxia, Dr. Joel Gargus believes that in a proper ionic environment and substrate, liver, kidney, and heart mitochondria are comparatively resistant to anoxia. "It would take relatively profound shock for a long time to produce these changes," he says, "or else other mechanisms are at work." His hypothesis: The fall in ATP production is due to damage to the membranes of the cells, not vice versa. Membrane damage may be caused by the elaboration of free fatty acids and breakdown products of phospholipids. Autopsy tissues are being analyzed for these substances, and researchers are attempting to develop a model of the process in the rat.

PREVENTING INFECTIONS

Severely injured patients are highly vulnerable to infection. Like many cancer patients, their resistance seems to be almost negligible. Dr. Roger Miller, the institute's infectious disease specialist, hypothesizes that in damaged polymorphonuclear leukocytes, phagocytosis probably continues, but that the ingested infectious organism can survive and reproduce, protected from antibiotics by the white cell itself.

Dr. Miller is now virtually able to predict infections before they appear. He has modified the nitro blue tetrazolium (NBT) test of white cells from peripheral blood samples and gets a positive reaction from 12 to 14 hours before systemic infection becomes clinically apparent. The test is based on the percentage of cells in which the stain is reduced to a blue-black precipitate. Normally, fewer than 10% of the cells will show this precipitate. "If you see 15% or 20%, you know something's wrong," says Dr. Miller. He regards the test as an index of membrane-damaged cells.

The test has also predicted recovery from infection. "I didn't believe it myself," Dr. Miller says of one severely infected girl whose NBT test suddenly dropped from 37% to normal. But ten hours later her temperature was normal and her blood cultures were negative.

"Any village idiot can do it," Dr. Miller comments on the NBT test, which registers systemic infections but not localized abscesses or wound infections. Splenectomy produces a transient false-negative, perhaps because one of the functions of the spleen is to remove damaged cells from the bloodstream. Steroids interfere with the intra-

cellular biochemical mechanism that causes the precipitation and therefore gives false-negatives. Dr. Miller hopes that the test will be useful in patients who have undergone extensive surgery as well as in those who are in shock due to trauma.

Dr. Vladimir Vitek, a biochemist at the institute, has discovered an alteration of carbohydrate metabolism after severe trauma that is reflected in urinary excretion of sugars not normally found in urine. He has identified a high level of isomaltose, not previously observed in human urine at all, as an "integral part of the systemic response to severe trauma." Institute researchers are looking at the carbohydrate composition of cell membranes to see if damage to them may be partly responsible for this phenomenon.

Summing up, Dr. Cowley says: "We feel we've gone about as far as we can go with what we know now. For the next big push somebody's got to find out why generalized cell sickness results from local injury." He speculates that five years from now, trauma research such as that being done at the institute will have advanced to the point that use of enzyme replacements, or substances that act on substrates until the enzymes are replenished, can save the lives of those who now succumb to such metabolic effects of trauma as liver shock.

EXPANDING EFFORT

Meanwhile, the institute is overwhelmed by the number of patients who need the kind of care that only a specialized trauma center can provide. Satellite centers such as the Baltimore City Hospital's burn unit and the Johns Hopkins pediatric trauma center are already included in the helicopter program, and more than 700 infants have been flown to the primary newborn and preemie nursery program set up by Drs. Herman Reisenberg and Ron Gutberlet at Baltimore City Hospitals and the University of Maryland Hospital. But the statewide plan to be set up under Governor Mandel's executive order goes far beyond that.

Most accident victims in Maryland are still being transported by ambulances to the nearest hospital with an emergency room, regardless of its facilities and staff. Under the new program, which Dr. Cowley has been commissioned to implement, the state will be divided into five regions, each with its own regional emergency medical center, and all emergency and intensive care facilities will be categorized according to the kind of care they are equipped to give. Ambulances and helicopters will be in radio contact with the emergency rooms and regional centers, and leased telephone lines will connect all the emergency rooms in a region to each other and to the regional centers. These centers will be set up in existing major hospitals to coordinate all emergency care within the areas they serve. At the system's control center in the Maryland Institute for Emergency Medicine, electronic display panels will indicate bed and physician availability and current emergency room status throughout the state.

There will also be extensive traumatology education programs for physicians, nurses, and emergency medical technicians in all the five regions in an effort to achieve inter-hospital collaboration without duplication of facilities. "We're going to have doctors everywhere talking to each other," says Dr. Cowley. "And we're going to knock the socks off the death rate in this state."

THE ADMINISTRATION AND ITS LOSING BATTLE AGAINST INFLATION

Mr. HUMPHREY. Mr. President, the August reports on consumer prices showed an extraordinary acceleration of inflation, with a 1-month increase in overall prices of about 2 percent, and a 1-month increase in food prices of 6 percent.

The August report brings the overall rate of inflation for 1973 to over 10 percent, and the food inflation rate to about 32 percent.

Unfortunately, at the same time prices have been rising, the volume of the administration's rhetoric to minimize public understanding of the seriousness of these inflation rates has also been mounting.

I am extremely concerned about such rhetoric because it distorts our perception of the problems and dissipates our energy in meeting them. The Consumer Economics Subcommittee held 2 days of hearings this week on the meaning and implications of the August price statistics and the record on inflation for the year.

The hearings were held on September 25 and 26. Testimony was heard from Gary Seevers, member, Council of Economic Advisers; Arthur Okun, senior fellow, the Brookings Institution; Howard W. Hjort, consulting food economist, Washington, D.C.; and F. Thomas Juster, Institute for Social Research, University of Michigan.

Mr. President, I ask unanimous consent that the statements of Arthur Okun and Howard Hjort be printed in full in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, today, I would like to take a few minutes of the Senate's time to report some of the facts presented to our subcommittee. I regret to say that the evidence shows that the current inflation is the worst in the peacetime history of the United States, and that the main thrust of the President's energies in coping with this inflation are misdirected.

A UNIQUE INFLATION IN 1973

I do not believe the President, his economic advisers, or many others for that matter, realize that the inflation we are experiencing in 1973 is of historical magnitude and of somewhat unique origin. We can see that it is of historical magnitude by comparing it with some previous periods, using various measures of inflation.

The postwar average—1946 to 1972—price increase in the GNP deflator was 3 percent; so far this year it has risen at an annual rate of 6.6 percent.

The postwar average increase for the consumer price index was about 3 percent; so far this year consumer prices have risen at an annual rate of about 10 percent.

The postwar average for the wholesale price index has been about 3 percent; so far this year wholesale prices have increased at a 20-percent annual rate.

I say that the origin of the inflation in 1973 is unique because, although it may have some of its origins in excessive Government deficit spending in 1972 and previous years, it is today primarily due to supply shortages in the areas of food, fuel, and raw materials. Shortages in the area of food, for example, account for slightly over 60 percent of the entire rise in the consumer price index in the first 8 months of 1973.

In addition, the inflation in 1973 is uniquely a worldwide phenomenon. To the extent that one can say there is any excess demand in the American economy today, it is an excess in international demand that is a result of prosperous economic times in many other countries of the world.

Taken together, both the nature and magnitude of the current inflation pose extremely difficult problems for economic policy. It is an especially poor time to pose old ideological positions as solutions to these difficult new problems. It is also a poor time to cloud the issues with rhetoric. This is what the administration has done with respect to budget policy, the seriousness of the food situation, and in acknowledging the difficult times consumers presently face.

THE BUDGET AND INFLATION

In his statement to Congress on September 10, the President said:

> No issue is of greater concern to the American public than rising consumer prices . . . [and] we can reach our goal only if we also apply the single most important weapon in our arsenal: "control of the Federal budget". Every dollar we cut from the Federal deficit is another blow against higher prices.

Yet the President's concern about high levels of Federal spending is not supported by a review of any of the statistics on the Federal budget. The latest Department of Commerce information on the Federal deficit, as measured on a national income accounts basis, indicates that for the second quarter of this year, the Federal budget is in approximate balance. Looking at the fiscal 1974 budget that projects Government spending patterns into the future, and measuring the deficit in the full employment terms that this administration popularized, we see that there is in fact a full employment surplus of more than 3 billion. In other words, there is no statistical evidence to support the President's contention that the current inflation is the result of excess Government spending.

Nor is the President's position supported by the consensus of economic opinion in the Nation. As Dr. Arthur Okun told the subcommittee just yesterday:

> The inflation directly attributable to the spurt in aggregate demand is minor . . . by any reasonable standard of past performance or of present knowledge of the arts, fiscal and monetary policy has not been the major problem in 1973. The budget has moved dramatically away from stimulus and toward restraint, producing a balance in the second quarter.

Dr. Paul Samuelson, writing in Newsweek magazine on September 24, argues in fact that the growth of government has lagged behind the private sector. Dr. Samuelson says:

> The real goods and services consumed by government—by all levels of government—are lower than they were five years ago when inflation began! Not only has the public share of GNP dropped in percentage terms,

its money magnitude has not even kept up with the rising prices of public goods and services. Since mid-1971, real public spending has been growing at but half the rate of total real GNP: 3.1 percent for government, 6.2 percent for all.

THE POSSIBILITY OF A RECESSION IN 1974

In fact, rather than being concerned about an overly stimulative Federal budget at this time, we should be careful not to cut the budget below present levels. The level of $268 billion for the fiscal 1974 budget, as established by the Senate, and which is slightly below the level proposed by the President, is about right. Now is the time to debate and alter priorities, and to develop their anti-inflationary tools; we should not be wasting our time with discussions about cutting the budget further.

Dr. Okun made this point very clearly in his testimony yesterday. He said:

In my judgment, the job of restraint has not been overdone thus far. But I must emphasize the growing danger that intensifying or maintaining the present level of restraint for much longer would create a serious risk of recession in 1974.

Such a recession would do little to curb inflation, probably even less than did the recession of 1969–70. I would argue that fiscal restraint be maintained as prescribed in the budget, while monetary restraint should be reduced promptly but gradually.

I am pleased to see that this morning's Washington Post covered our hearings and highlighted the risks of recession in 1974. Mr. President, I ask unanimous consent that this morning's Washington Post story be printed in the RECORD.

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

OKUN PREDICTS A RECESSION UNLESS UNITED STATES LOOSENS REINS

(By Peter Milius)

The Joint Economic Committee of Congress was told yesterday there is probably going to be a recession unless the government soon starts to loosen its tight clamps on the economy.

The prediction was made by economist Arthur M. Okun, who was chairman of the Council of Economic Advisers in the Johnson administration, and now is at the Brookings Institution here.

The government's purpose in clamping down on the economy has been to combat inflation. The White House has tried to slow federal spending, and the semi-independent Federal Reserve Board has tightened up on the money supply.

Okun made two points about this yesterday. One was that much of the present inflation was caused by things other than federal spending; the issue has been blown up out of proportion. "Neither tax hikes nor spending cuts nor slower monetary growth could conceivably have altered the basic picture of food price explosion or of international pressures" on U.S. prices this year, he said.

His second point was that the present policies now have done all they can, and that it is time to start slowly letting up, particularly on the money supply.

"The job of halting the boom has been done," he said. "The amount of braking action necessary to stop a boom becomes excessive once the boom halts."

It would be a mistake, Okun told the committee, to keep the brakes on for the "many months" it will now take for inflation to recede.

"Surely if the brakes were held on at their present position until prices slow down, a recession would become inevitable." Okun testified. "The economy is starting to say 'Uncle,' and the policymakers should be listening."

Okun's testimony came on the second day of food price hearings before the Subcommittee on Consumer Economics headed by Sen. Hubert H. Humphrey (D.-Minn.). The first day's witness was Gary L. Seevers, a member of the Council of Economic Advisers. A key issue both days was how far the price rises of the last eight months have eaten into the average American's standard of living.

Seevers said Tuesday that, "despite widespread feelings to the contrary," the "level of living of the average American family was . . . significantly higher than a year earlier," and "the improvement was substantially better than the average annual improvement in the past 10 years." He based that assertion on figures showing that real disposable income per capita rose 5 per cent between the second quarter of 1972 and the second quarter of this year.

Okun, however, produced statistics showing a decline in the purchasing power of the average workingman's hourly wages since the first of this year.

"Whereas in previous inflations pensioners and fixed-income recipients were the only obvious losers, this time the vast majority of the urban and suburban population of America is getting the short end of the stick," he said.

Still another statistic, reflecting real income per household instead of per capita, was offered yesterday by F. Thomas Juster of the University of Michigan.

In the last several years, he said, this number has risen at an annual rate of only 1.4 per cent, and in the second quarter of this year it fell at an annual rate of 3 per cent.

THE CONSUMER CRUNCH

Mr. HUMPHREY. Mr. President, the impact of inflation on consumers has been very serious this year. I know that because I go home and talk to the people in my State, the older people, the small businessman who runs a gas station, the average working family, and many others. In fact, the impact of inflation on consumers has been so serious that it could well precipitate the recession in 1974 that I just discussed.

So the first step the Nixon administration must take to improve its economic policies is to recognize that at the present time the consumer is not well off. As Dr. Okun said yesterday, the administration could improve its credibility if it abandoned its attitude that there is nothing more important than convincing the people that they never had it so good.

Unfortunately, this is what the administration's spokesmen have been doing in recent days. On Tuesday Dr. Seevers told the subcommittee that:

It is easy to fall into a debate about the ill effects of the recent inflation and to ignore the economic expansion that has enabled incomes to rise faster than inflation . . . The level of living for the average American family was not only significantly higher than earlier, despite widespread feelings to the contrary, but the improvement was substantially better than the average annual improvement in the past 10 years.

But while these statistics are technically correct, they do not tell us what has happened to consumer income in 1973. By looking at the last year, Dr. Seevers has cleverly used the real income gains in 1972—which was a pretty good economic year—to offset the disastrous impact of inflation on real incomes in 1973.

Dr. Seevers is also very clever to measure real income in aggregate terms, rather than per capita terms, or per family terms, or per lower moderate income family terms, because this allows the administration to gloss over the fact that on a per capita or per family basis real income has declined in 1973.

Dr. Thomas Juster of the University of Michigan presented the subcommittee with accurate information on how the 1973 inflation has affected the real per capita or per family income of American consumers. Dr. Juster pointed out that there is no good reason to look at real income in the aggregate, since consumers quite naturally tend to view inflation and their income on a per capita or per family basis. He argued further that the per family basis is the best way to study the impact of inflation on consumers because that is the way consumers view inflation. I ask unanimous consent that table 2 of Dr. Juster's testimony be made a part of the record so that my colleagues can see, on a quarter by quarter basis, what has happened to the real disposable income of consumers from 1965 until the most recent quarter of 1973.

Looking at 1973, it is clear that by any measure consumers are not better off. For the second quarter of 1973, aggregate disposable income only increases by 0.6 or 0.4, real disposable income per capita is about zero and real disposable income per family declines by 3 percent. It is not hard to see from this data why consumers believe they are worse off. And I think this information shows that consumers have a better understanding of the impact of inflation on their budgets than the Government economists working for President Nixon.

Without objection the table follows:

TABLE 2.—SELECTED GROWTH RATES OF INCOME, QUARTERLY CHANGES AT ANNUAL RATES, 1965–73

	Disposable income, current prices	Disposable income, 1958 prices	Disposable income, deflated by CPI	Disposable income, 1958 prices per head	Disposable income, deflated by CPI, per household
1965:					
2	7.7	5.5	5.1	4.4	3.6
3	13.9	13.1	12.5	11.7	11.0
4	9.0	7.9	7.0	6.6	5.5
1966:					
1	6.8	3.3	2.9	2.3	1.5
2	4.9	1.1	1.2	0	−.1
3	7.8	5.7	4.4	4.5	3.1
4	7.5	4.2	4.2	3.0	2.9

TABLE 2.—SELECTED GROWTH RATES OF INCOME, QUARTERLY CHANGES AT ANNUAL RATES, 1965-73—Continued

	Disposable income, current prices	Disposable income, 1958 prices	Disposable income, deflated by CPI	Disposable income, 1958 prices per head	Disposable income, deflated by CPI, per household
1967:					
1	5.9	4.0	4.5	3.1	3.2
2	5.9	4.2	3.7	3.3	1.0
3	6.9	3.3	2.8	2.1	−.1
4	6.7	3.5	3.3	2.4	.6
1968:					
1	10.8	6.9	5.9	6.1	3.2
2	9.3	5.3	5.3	4.4	3.1
3	4.7	1.6	−.1	.5	−2.3
4	6.9	2.8	1.8	1.7	−.4
1969:					
1	4.6	1.0	−.4	.1	−2.4
2	8.6	3.6	2.2	2.6	.6
3	11.2	5.7	5.5	4.6	4.1
4	8.0	3.0	2.2	1.8	.8
1970:					
1	7.4	2.3	1.0	1.3	−0.4
2	12.4	8.9	6.5	7.8	4.5
3	7.8	4.3	3.4	3.2	1.3
4	2.7	−3.1	−2.8	−4.3	−5.0
1971:					
1	11.4	7.7	7.9	6.7	5.6
2	9.1	5.0	5.1	4.0	2.7
3	4.3	1.3	.4	.3	−2.0
4	4.5	3.2	2.0	2.2	−.5
1972:					
1	6.5	3.4	2.9	2.7	1.0
2	6.5	4.2	3.9	3.4	.4
3	7.9	5.4	4.3	4.6	1.5
4	13.9	10.9	9.9	10.0	6.8
1973:					
1	11.8	5.9	5.0	5.2	2.0
2	8.5	.6	.4	−.1	−3.0

Sources: Statistical Abstract of the United States, various current issues of the Survey of Current Business and Business Conditions Digest.

Mr. HUMPHREY. Mr. President, because inflation has so seriously eroded consumer income, consumers are now extremely pessimistic about future economic conditions and the ability of Government to sensibly manage the economy. In November of 1972, for example, survey data showed that 54 percent of the American consumers expected favorable economic conditions during the 12 months ahead, and only 17 percent expected unfavorable conditions. By August, however, after 7 months of the worst peacetime inflation in the history of this country, consumers have completely reversed their attitudes with only 26 percent believing that economic conditions in the next 12 months will be better, while 48 percent now believe that conditions will be worse. These sharply pessimistic attitudes could cause consumers to stop buying and investing, and this in turn would lead to the recession in 1974 that I mentioned above.

THE FOOD OUTLOOK

We have also had a great deal of rhetoric from administration spokesmen about the food problem. All this year, Secretary Butz has been: either telling consumers that food prices really are not going to increase very much, or after they do increase blaming the consumers for the price increase. The whole food situation is a lot more complex than Secretary Butz' self-serving comments would indicate. Yesterday we had some exceptionally fine testimony from Mr. Howard Hjort, a consulting food economist here in Washington, and I recommend that my colleagues take a look at that testimony, which I have asked to be inserted in the RECORD. As Dr. Hjort points out, although we are going to have good harvest next year, the food situation this year is extremely precarious. The harvests are still in the fields and a great many things could go wrong between now and when we finally have them on the grocery shelves. Let me just mention a few:

First. There is a serious fertilizer shortage that could reduce our crop production;

Second. There is a propane shortage that could reduce crop production because we need that propane for drying certain crops;

Third. There still are serious transportation problems in the agriculture area, both in terms of rail transportation, and port transportation; and

Fourth. Finally, and most important, we may well have overcommitted some of our crops for export this year.

Unfortunately, the Secretary of Agriculture insists in sloganizing about the merits of the free economy, which I happen to think are significant, instead of setting up an adequate intelligence system, and a contingency plan for allocating food exports. Wheat exports this year could well be 1.4 billion, an export demand that is extremely large, and if anything goes wrong in the agricultural area, either here at home or abroad, we could have a serious economic crisis.

Dr. Hjort also pointed out that the outlook for food prices is not rosy. Despite Dr. Dunlop's statement yesterday that beef prices are going to fall, I again alert my colleagues to my belief that we are going to see high food prices for the long-run, not the short-run. And I remain concerned that, while the prices for farm products have declined, so that choice steers are now selling for $38, we still have not seen any of those price declines reflected in retail food prices.

DEVELOPING A NEW ANTI-INFLATION PROGRAM

As I have indicated, I do not believe that the President's overemphasis on cutting the budget is the way to halt the current inflation. Nor do I think sermonizing the consumer about how well off he is, is appropriate. What is appropriate is the development of a new, better balanced, anti-inflation strategy. Working with yesterday's witnesses before my Consumer Economic Subcommittee, we developed the following elements of such a new strategy:

First. Tax reform to lighten the burden of taxation on the average worker;

Second. A national food plan for the balance of the decade consisting of: a good intelligence system for estimating world-wide supply and demand for food, a contingency plan to implement export allocations for food found to be in tight supply, and the development of new options for farm policy to insure that we significantly increase food supply;

Third. A national energy plan that provides for short-term allocation of scarce fuel, and long-term policies to conserve energy, as well as to develop new sources of energy;

Fourth. The development of manpower programs that will help us to reduce unemployment without causing excess stimulus to the economy;

Fifth. The development of a long-range price-wage policy apparatus that would focus on correcting structural problems in the economy, and provides us with the information we need to prevent this lurching from freezes, phases, and so on;

Sixth. The maintenance of a Federal budget policy in approximate balance at the present time, with a reordering of priorities from the defense sector, as well as outmoded civilian programs, to higher priority needs; and

Seventh. A prompt but gradual easing of the credit squeeze policies that presently exist.

These are some of the alternative anti-inflation strategies I believe the Congress should pursue. I think rather than engaging in the bombastic rhetoric the administration has initiated, I hope the Congress will turn to the serious, difficult issues associated with developing these badly needed policies. I believe that the economy is the No. 1 issue on the minds of citizens in this country, and that they will judge the performance of the Congress primarily on this issue.

EXHIBIT 1

STATEMENT BY ARTHUR M. OKUN

SUMMARY

1. The inflationary upsurge of 1973 has stemmed from several sources. A veritable explosion of food prices has been the largest single source. A number of subordinate factors also played a significant role—including the excessive pace of economic advance late in 1972 and early in 1973, the mismanagement of price controls, and the impact of world markets on nonfood commodities associated with the devaluation of the dollar and strong growth abroad.

2. The only one of these factors that could be controlled by federal fiscal and monetary policies is the excessive pace of overall economic advance in the United States. In fact, monetary and budget policy have acted to end the boom. That job has been done and, by reasonable standards of economic policy-making, it has been done fairly well.

3. In my judgment, the job of restraint has not been overdone thus far. But I must emphasize the growing danger that intensifying or even maintaining the present level of restraint for much longer would create a serious risk of recession in 1974. Such a re-

cession would do little to curb inflation, probably even less than did the recession of 1969–70. I would urge that fiscal restraint be maintained as prescribed in the budget, while monetary restraint should be reduced promptly but gradually.

4. The misfortunes and mistakes of the past year make excessive inflation inevitable for many months ahead. Vigor in Phase IV can help; export allocations for key farm products would provide some insurance in the critical food area. But our present disease has no instant cure. Recognizing that, we should focus on longer-run therapy and on preventive medicine.

THE SOURCES OF THE 1973 INFLATION

On the basis of returns for eight months, it is clear that 1973 will surpass the inflation rate of any year since 1951. So far in 1973, consumer prices have soared at a 9 percent annual rate, a startling and abrupt jump of 6 points from the 3 percent pace experienced a year ago. That performance averages two quite different stories: 1) A broadly diffused and troublesome but unspectacular acceleration in the prices of most groups of nonfood commodities and services, and 2) A catastrophic explosion in food prices. More than three-quarters of the acceleration in the cost of living this year is attributable to the jump in food prices, as can be seen from the figures below:

CONSUMER PRICE INDEX ANNUAL RATE OF INCREASE

[Percent]

	August 1971 to August 1972	December 1972 to August 1973
Food	3.8	29.2
Nonfood	2.6	3.9
Commodities	1.9	3.3
Services	3.4	4.4
Total consumer prices	2.9	9.3

The food price explosion has caused an actual decline in the real purchasing power of the hourly wage or salary of the average American worker since the beginning of the year. Whereas, in previous inflations, pensioners and fixed-income recipients were the only obvious significant losers, this time the vast majority of the urban and suburban population of America is getting the short end of the stick. I should emphasize that the stupendous increase in farm prices and farm incomes reflects no villainy on the part of the American farmer, or even the grain trader, nor is it an injustice when viewed against the background of relative incomes in the farm and nonfarm sectors. But it has effected a massive $20 billion (annual rate) transfer of real income from nonfarm earners, and their pain is no figment of imagination.

In the nonfood areas, the significant and troublesome acceleration of inflation flows from several sources. The economy advanced too rapidly in the fourth quarter of 1972 and the first quarter of 1973, spurred by consumer enthusiasm that responded to the better employment and inflation news of Phase II. The rapid expansion ran into capacity bottlenecks in several key areas where prices are quite flexible and hence tended to shoot upward, such as paper, some primary metals, and oil refining. Strong growth in Europe and Japan stimulated the demand for our exports and reduced the availability of inexpensive imports. The devaluation of the dollar added further to the pressures of world markets in raising the price of key nonfood as well as food commodities. The relaxation of price controls in symbol and substance under Phase III also had inflationary effects on industrial prices, particularly once businessmen correctly suspected that controls would be tightened again and hence acted to avoid getting caught with their price lists down.

The role of fiscal and monetary policy

Most of the forces that caused the major inflationary upsurge of 1973 were largely beyond the scope and domain of fiscal and monetary policy. Neither tax hikes nor spending cuts nor slower monetary growth could conceivably have altered the basic picture of food price explosion or of international pressures. No actions that the Treasury, or the Federal Reserve, or the Congress could have taken in the areas of budgetary or monetary control could have prevented 1973 from setting inflation records. To be sure, with perfect foresight, fiscal and monetary actions might conceivably have prevented the spurt in overall economic activity that marked the fall of 1972 and the winter of 1973.

But neither the policymakers nor their present critics are equipped with the perfect crystal ball. Moreover, I strongly doubt that any tax-spending-credit package could have held down the inflation rate that we are now observing by as much as 1 percentage point. The inflation directly attributable to the spurt in aggregate demand is minor; it lies well within the tolerance limits of imperfect foresight in fiscal-monetary policy making. By any reasonable standard of past performance or of present knowledge of the arts, fiscal and monetary policy has not been the major problem in 1973. The budget has moved dramatically away from stimulus and toward restraint, producing a balance in the second quarter (reflecting a very substantial surplus in the standard calculation of the full employment surplus at a 4 percent unemployment rate).

The Federal Reserve has been absurdly maligned both as the engine of inflation and as the launcher of astronomical interest rates. Over the entire past two years, the money supply has grown at 6.1 percent (annual rate). On historical relations of GNP to money growth, such a rate of monetary expansion would be associated with an expansion of GNP in current dollars of 8 or, at most, 9 percent; in fact, that GNP growth rate has been close to 11 percent, revealing that liquidity has not been the driving force behind the economic upswing. To be sure, the money supply has fluctuated around 6.1 percent growth path, but never has it been above a hypothetical smooth trend line by as much as $2 billion. Not a single shred of evidence exists to suggest that the path of economic activity would have been changed in any noticeable way—for better or for worse—had the expansion of the money supply been absolutely smooth and steady in every moment of the past two years.

When it became clear early this spring that the economy was spurting, a significant fiscal restrictive action—realistically a tax increase—would have been desirable to curb the boom without relying on tight credit. No such action was recommended by the President or initiated by the Congress. Since the fiscal restraint was providing only a small part of the necessary total restraint to curb the boom, monetary restraint was applied with vigor. And so the unwelcome side effects of tight money—soaring interest rates and tailspinning home construction—are again on the scene.

But so is the welcome slowdown that tight money was intended to produce. The prospective further decline in homebuilding is vital anti-boom insurance, as most economists view the outlook for the year ahead. All the economic indicators and all the economic forecasters suggest that the 1972–73 boom is now history. But the inflation is not history. Even the part due to domestic demand pressures will take many months to respond to the economic slowdown.

The job of halting the boom has been done; I do not believe that, so far, it has been overdone. For the first half of 1974, the outlook points to a slow growth of production, significantly below the normal trend rate of 4 percent. Despite its adverse consequences, and high costs to all Americans, a low growth rate of 2 to 3 percent in the first half of 1974 must be regarded as appropriate under present circumstances to help break our bottlenecks and catch our breath. But a recession would be intolerable, compounding the social costs of economic instability and offering no significant additional relief from inflation.

Putting the economy through the wringer would not squeeze out food inflation or help prevent cost-push wage inflation. The cooperation of labor has produced moderate wage behavior in the face of immoderate price behavior this year; adding layoffs and jobs insecurity to the cost-of-living squeeze would not be the way to preserve that spirit of cooperation in 1974. In short, a recession in 1974 would probably have an even higher cost and an even smaller payoff than the 1969–70 recession fiasco.

Let me repeat that a recession in 1974 is not the likely outcome on the basis of anything that has happened thus far. But if the present level of monetary-fiscal restraint were to be maintained for much longer, recession would become probable. Surely if the brakes were held on at their present position until prices slow down, a recession would become inevitable. The amount of braking action necessary to stop a boom becomes excessive once the boom halts. The economy is starting to say "Uncle," and the policymakers should be listening.

Against this background, the proper basic strategy for fiscal-monetary policies today is reasonably clear:

1. This is no time for a tax increase or any measure of additional fiscal or monetary restraint.

2. Neither is it the time to relax and stimulate the economy.

3. It is the time to begin tapering off the amount of restraint.

4. Since most of the restraint has been applied by monetary policy, that is the place to start tapering it off with a prompt but very gradual easing of credit conditions and reduction of interest rates.

5. Meanwhile, fiscal policy should be maintained at the level of restraint prescribed in the Administration's budget. Of course, sound fiscal policy does not require Congress to accept the President's preferences on priorities within the budget nor to tolerate the practice of executive impoundment.

OTHER MEASURES TO COMBAT INFLATION

The need to accept a slowdown and to avoid a recession is the most important advice I can offer. But anti-inflationary policies have many other important dimensions.

In the nonfood area, Phase IV looks like a workable program to reduce inflation; but it is too soon to say whether or not it is working. Effective enforcement and implementation of the rules should bring particular relief in those industries where wholesale prices outpaced costs during the relaxed Phase III period.

In the food area, the forthcoming harvests will tell the basic story for the year ahead. I see some grounds for optimism, but far greater grounds for uncertainty and even anxiety. The one constructive measure that could provide insurance against continued food inflation would be the setting of export ceilings for key farm products, designed to moderate (not to reverse) the growth of foreign sales, and to distribute the products equitably to countries that have traditionally depended on the United States as a supplier.

In the area of wages, we should be searching for measures that might help to extend

the period of labor tranquility and cooperation that has prevailed to date. As one possibility, I would suggest a tax reform that lightened the burden of taxation on the average worker, while balancing the revenues with a reduction of existing tax preferences on property incomes.

These are not panaceas by any means. The hard truth is that no instant cures exist for our present disease. We are bound to suffer from an undesirably high inflation rate and an unhappily low growth rate in the months ahead. The way back to a noninflationary growth track can not be paved with ad hoc responses to crisis. It requires a broader view over a longer time horizon. We need a national food plan for the balance of the decade to prevent a repetition of the cataclysmic failure of intelligence in 1973, and to explore new options for farm policy. We need a national energy plan that offers clear prospect of meeting our needs at reasonable prices over the years ahead. We need to explore the constructive role that price-wage policy can play in the long run—and to end the illusion that the government will abandon any and all concern about private wage and price decisions. We need to prepare manpower programs that will capitalize on the opportunities to train and upgrade workers when the economy picks up again.

Unless we design long-term therapy for our fundamental problems, we will continue to grope from phase to phase, from crisis to crisis, from disappointment to distress. And it has become apparent that the nation's best hope for such leadership lies in the Congress.

STATEMENT BY HOWARD W. HJORT

You have invited me to respond to four questions that relate to food prices. I will respond briefly to each question in the order they were given.

Is the current budget deficit in any way related to the current food inflation?

A number of federal programs have an impact on food prices, some more direct than others. There is, therefore, a relationship between the budget deficit and food prices.

About 16 million acres of cropland is withheld from production this year under the 1973 wheat and feed grain programs. The Secretary of Agriculture initially announced wheat and feed grain programs designed to capture a much larger acreage, and later, after it was too late to avoid making large payments, the programs were curtailed. If those programs had been set-aside instead of the land some of the 16 million acres would be in production this year, more grain would have been produced, farm and food prices would be lower, and the budget deficit would not be as large.

Food grain shipments under foreign food assistance programs were reduced last year and are likely to be cut even further this year. The food grants component of the program was suspended several weeks ago. With food grain prices far higher than were anticipated when the budget was prepared, funds will have to be increased or the quantity provided reduced. A smaller quantity shipped to the developing countries reduces the demand for food grains, which takes some of the pressure off food grain prices. An increase in expenditures, and the deficit, will keep the pressure on grain prices. But to reduce food grain shipments just when they are needed more than ever by the poorest countries and people of the world is not in our or their best interests.

Federal expenditures for domestic food programs—food stamp, direct food distribution, school lunch, special milk, and the others—have a direct impact on food prices. An increase in federal expenditures adds to the deficit and to the demand for food. But because food prices have risen so rapidly, it requires an increase in funds just to maintain year earlier consumption levels. In any event, the impact on food prices would be small, because the aggregate expenditures for food is so much larger than federal expenditures.

Grain owned by the government is being sold, and that reduces the budget deficit and the upward pressure on grain prices. But it also means we have no reserves held by the government.

There are other federal programs that have an impact on food prices, but they are not likely to be the causes of the current food inflation.

What are the other causes of the current food inflation?

The major causes of the current food inflation are the weather, the consumer, and the policies of governments.

The weather was so bad in so many places from the fall of 1971 to the spring of 1973 that world grain production for 1972–73 dropped for the first time in modern history. Grain production fell so far below requirements that grain trade moved up to record highs that strained the capacity of the delivery system, and stocks were drawn down sharply. Even so, high prices and actual shortages in some areas brought about a decrease in food grain consumption for the developing countries as a whole. Potential oilseed production also was reduced in most countries where grain crops were poor, and an already tight high protein supply situation turned into a near impossible one when it no longer was possible for Peru to continue fishing for anchovies, and protein meal prices skyrocketed.

The consumer has been responsible for some of the sharp swings in farm and food prices. Early in the year they continued to stay with earlier buying patterns, and the strength in demand kept pushing food prices higher. Then came the boycott meat effort, which was followed by near panic buying when they became convinced that either prices were going to move sharply higher or supplies of meat would be seriously short. That spurt of buying helped send prices skyward, and they reached a level that turned the consumer off. The crash in livestock and livestock product prices since mid-August is in part the result of consumers standing aside, waiting for what they believe are better prices.

Farm and food prices have moved higher and have been more volatile than necessary due to actions and policy positions taken by the Administration. Grain prices are higher today than they would have been if the Administration had released all the acreage for production this year, instead of deciding to restrict acreage. The decision to impose ceilings on meat prices, and the later one to freeze all food prices while at the same time failing to take any action to hold grain and other feed prices in check put the squeeze on food producers profits and caused livestock producers to put expansion plans on the shelf. The consequence is higher prices this fall and winter than was in prospect. The release of food prices from the freeze, again in the absence of any action to hold raw agricultural product prices in chek, was partially the reason for the sharp upward burst in food prices noted from July to August. Action to curb exports of soybeans and soybean meal was taken only after it became obvious that the supply had been oversold, and that was too late to keep prices from rising to very high levels and too late to prevent unnecessary foreign policy complications.

High food prices have an impact on people everywhere. In this country meat consumption drops, and in the developing countries food grain consumption drops. But the real burden of a decision to give priority to dollars over people falls most heavily upon the poor, both here and there. High prices improve the balance of payments, but they also lead to cuts in food aid and market expansion.

What can be done about high food prices at this time, particularly in the light of world-wide supply and demand?

World grain production appears to be headed for a new record this year. Production should be large enough to meet minimal requirements with only a modest further reduction in grain stocks. But due to the timing of harvests, and the location of the major increases in grain production, grain stocks in the United States are likely to be drawn down significantly again this year. Wheat stocks are expected to be pulled down to absolute minimal levels, unless more wheat is used as a food grain, and less as a feed grain than now seems likely.

To supply minimal consumption requirements wheat prices are expected to face greater upward price pressure than rice, rice prices are expected to be stronger than feed grain prices, and feed grain prices stronger than oilseed prices.

The developed countries appear to be in a more comfortable supply position than the developing countries. In the latter rice production is expected to improve significantly over last year, but is not expected to be appreciably above the 1971–72 level.

At this time the odds favor another reduction in world grain stocks. Food grain stocks are expected to be drawn down even further, to rock bottom levels. Any appreciable stock build-up will have to wait until the 1974–75 crop and marketing year. In this situation, even a relatively modest deviation from the expected can move prices sharply higher or lower. Unfavorable weather conditions for the 1974–75 crop could send grain prices even higher than they have reached this year; favorable weather could send them far below today's levels.

Given this precarious situation a reliable early warning system needs to be in operation, that will let us know when supplies are moving down to the critical point and there needs to be an allocation plan based upon need that is ready on a stand-by basis to be implemented before instead of after the fact. The present policy of letting price be the rationer leads to a situation where those who have the intelligence systems and the financial resources are able to capture more of a short supply commodity than those less equipped.

What is the current outlook for food prices for 1973?

The rise in farm and food prices from July to August was almost beyond belief—in 30 days farm prices jumped 20 percent, while wholesale food prices climbed 9 percent and retail prices rose 6 percent. By early August food prices to the consumer were 20 percent higher than they were a year earlier, a rise in one year as large as the advance over the previous four years. Wholesale food prices this August were 30 percent higher than in August 1972, and farm prices were up more than 60 percent.

Since mid-August hog, cattle, broiler and egg prices have plunged. Cattle and hogs moving to markets this week bring 30–35 percent less than in mid-August. Cattle prices have moved back to December 1972 levels. Livestock feeds have become less expensive in recent weeks but they again are high relative to current hog, cattle, and broiler prices. The price of wheat, our major food grain, continues to hold around the mid-August level.

The key to food price movements rests at the moment with the consumer. When the price of meat, chicken and eggs at the retail level comes back down to the level in line with current farm and wholesale markets will she move back to the higher consumption level of a few months ago, or will she stay at the current reduced level.

There are two possible patterns for food prices to follow over the balance of the 1973 year and into 1974. One is for prices to gradually rise beginning in October or No-

vember over the next several months, and the other is for prices to jump upward during the last quarter of 1973 and then again find a resistance level, come crashing down, and then gradually rise.

The supply of meat and chicken for the last quarter of 1973 should be well below the year earlier amount. Consumers may be content to consume a smaller quantity this year, but I expect they will be attracted by current prices and want to consume more. My guess is that the September CPI will be about at the August level, that the October CPI will be below the September, and that the November and December CPI's will both show month-to-month advances that in any year other than this one would appear to be large. Livestock and livestock product prices have to move up, or feed prices down to encourage an expansion in broiler and hogs, and even to keep the cattle pens full.

RESPONSE TO THE REPORT OF THE PRESIDENT'S ADVISORY PANEL ON TIMBER AND THE ENVIRONMENT

Mr. McGEE. Mr. President, I would like to call the attention of my colleagues to the Report of the President's Advisory Panel on Timber and the Environment which was released to the public this last Monday. I address myself to the report today because I believe it may be very important, though not necessarily in a constructive way, to the shaping of future forest management policy. In short, the report may become the convenient instrument of those who advocate the intensive exploitation of our national forests.

This is not to insinuate that the report is totally without worth, many of its recommendations are timely and deserve the thoughtful consideration of the President of the United States. In particular, I would cite certain aspects of recommendation 17, wherein it is observed:

> A better method of more adequate and more timely financing of forest management programs on all Federal forest lands is essential.

I think this would adequately account for the basis of understanding upon which the Senate considered and passed Senate Joint Resolution 134, to prohibit any reduction in the number of Forest Service personnel, and why the budgets of many of the programs in the Interior budget for fiscal year 1974 were increased.

It was an evident contradiction of intents that prompted the administration to call for an increased timber cut on the one hand, and attempt to cut back the manpower necessary to adequately plan, supervise, and replant timbering operations in our national forests. It still amazes me to think that at a time when, as never before, we have been made so aware of what real treasures we possess in our natural resources, we would be presented with a budget that proposes reductions in budgets of every agency charged with their supervision. I would add here that the budget has been vastly improved from its initial presentation to the Congress, although many of us would have hoped for even more.

In spite of the good marks which the report might receive in some areas, such as adequate financing to execute good forest management, its general tone is one which alarm the sensibilities of all who are concerned with perpetuation of a viable national forest system. Its tone and theme is "turn our national forests into tree farms." Its aim seems to be the diminution of the "multiple-use" concept. Essentially, the President's Advisory Panel recommends that the Forest Service identify those areas of our national forests with high commercial timber potential and develop them to the extreme. Mind you, I am reading through the fine words and rhetoric of the recommendations offered in the report, trying to filter out those statements which recommend a change in policy rather than those which only restate the status quo.

Let us look for a moment at the Panel's first recommendation:

> The President issued a statement or proclamation to the Nation, emphasizing the unique renewability of the timber resource, and the opportunities to improve substantially the productivity and the value of the Nation's forest resources to meet the multiple demands now being made and likely to be made in the future on these forests; and emphasizing that forest resources are to be cherished, nurtured, and used.

A harmless enough suggestion on the outside, but what single recommendation proposes significant change from the course upon which forest management policy is already set? Increased production. And it is that call which echoes again and again throughout the report. Recommendation 2 states that the President should prepare a short-, medium-, and long-range timber supply program, something which the Forest Service did last year. Recommendation 4 advises that all land not withdrawn into the wilderness system "should be designated for commercial timber production and other compatible uses and be managed in accordance with appropriate national policies." A refinement of that recommendation appears later in the text wherein the Panel says that the Forest Service should "redefine its classification of forests into commercial and noncommercial categories." Furthermore, the Panel advises that the Forest Service reconsider its timber management priorities, in order to concentrate more of its efforts, manpower, and funds on intensive management of its more productive sites.

Mr. President, I think I need offer no more demonstration as to the Panel's effort to bring about the demise of the multiple-use management concept. Forests are to be classified with an either/or status. Manpower is to be shifted from the multiple attentions demanded by our forests to the production of timber, and timber only.

We in Wyoming know and understand the values of our national forests far beyond such a limited scope as advocated by the President's Panel. We know that the forests are a principal source of our abundant wildlife resources; we know that our water for the summer is laid down upon the mountains in winter, retained there to be released at an even and plentiful rate throughout our driest seasons. We know the enjoyment of the crisp fall air among the aspen, and the warm forest meadows of a summer's afternoon. We know that forests are a natural phenomenon, and we appreciate natural uncivilized presence, their unique contrast to the manmade world. We know that forests are for more things than just the lumberman's saw, the timber truck's flatbed, and the sawmill's kiln.

Before I conclude my remarks, I would like to make a few short observations about the Panel's position on clearcutting. Appendix L to the Panel's report, authored by Dr. David M. Smith, asserts that with the possible exception of "some instances in the Wyoming forest," clearcutting has been a success, producing regeneration in each instance. This includes the Bitterroot National Forest in western Montana. The author concedes that "the wisdom of spending $50 per acre to plant stands that will grow only 250 board feet per acre annually on a 100-year rotation is debatable." I would venture that if the only criterion is whether one can get a tree to grow on a particular site, regardless of the cost, we could build greenhouses on the slopes of the Bridger National Forest, get a couple of seedlings growing, and claim that regeneration was successful.

It should also be noted that while Dr. Smith has no qualms about clearcutting in general, Dr. Earl Stone, writing appendix M on the "Impact of Timber Harvest on Soils and Water," does caution:

> It is not yet clear whether the thin organic layers found under many northern and western conifer forests may generate nitrate at a much slower rate after exposure than does the hardwood humus at Hubbard Brook. In view of the usefulness of clearcutting in some conifer stands, this question calls for research.

It must be assumed, by the Panel's failure to recommend further research into the possible environmental effects of clearcutting, that it found Dr. Smith's research more convenient that that of Dr. Stone.

Gentlemen, I am not afraid of the truth about this matter. If clearcutting is a justified practice, so be it and let it be done. Yet, as a wise sage once said: "Before men can speak the truth, they must learn to hear it." My fellow colleagues, I would offer that the truth is not to be found in the "Report of the President's Advisory Panel on Timber and the Environment."

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there morning business? If not, morning business is closed.

PAY ADJUSTMENTS FOR FEDERAL EMPLOYEES

The Senate continued with the consideration of the resolution (S. Res. 171) disapproving the alternative plan for pay adjustments for Federal employees.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged against either side.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. McGEE. Mr. President, I understand the pending business is Senate Resolution 171.

The PRESIDING OFFICER. The Senator is correct.

Mr. McGEE. Mr. President, I wish to address myself to the resolution very briefly.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. McGEE. Mr. President, the resolution is one of the options under the existing law affecting comparability adjustments for Federal employees. Back in 1962 Congress adopted the comparability principle for Federal employees, so that jobs in the Federal service were to be compared by an impartial group with comparable jobs in private industry to measure any discrepancy, and determine what adjustments should be made. Since the principle of comparability as public policy was enacted into law, we have found ourselves at the Federal level playing a continuing game of catch-up; that is, we determine private industry pay rates in the spring and make needed adjustments for Federal employees effective 6 months later on October 1.

In 1970 Congress approved the Comparability Act to set up a specific formula to take the question of the size of the Federal pay adjustment out of the hands of Congress. The law provides that the Bureau of Labor Statistics in March shall assemble statistics and subsequently submit to the executive branch its estimate of whatever adjustments are required by comparability as of the March figures.

Then, both the Civil Service Commission and the Bureau of the Budget, as the President's "agent," advise him on what should be done, what the percentage increase should be, if that were needed, whether there should be an increas, or, theoretically, if it ever happened in our economy, whether there should be a decrease.

The law provides that the effective date in this pay adjustment shall be made by the President on October 1.

Now, the history of the operation of this act since its adoption in 1970 reveals that on the last three occasions the President has delayed or deferred the date on which the act itself called for the pay adjustment. It was deferred from the first of January 1972, for a half year, but Congress intervened and restored the increase at a lower figure. It was deferred in the second instance from October 1972 to January 1, 1973. Each time, the President had recourse to an alternative plan authorized by law; and this year the President's alternative was to defer until December 1.

However, Congress can turn around his postponement by a simple majority vote in either body. That majority vote would require the President to make his recommendation on the scheduled date, and that is precisely where we are this morning in this situation.

Mr. President, the point is that the President's deferral once again illustrates a deviation from the comparability principle of the act. It would be one thing if there were extenuating circumstances in not allowing this cost-of-living adjustment, if a modest increase were going to transfuse the economy into some kind of explosive inflation. There is obviously no manifest intention by the President to negate the increase because of inflationary factors. He is going to grant it in December, so why not now, as required by law?

The intent of the Committee on Post Office and Civil Service in reporting this resolution of dissent is to restore the October 1 effective date provided for by law.

In the private sector again and again pay increases have been allowed, and in the Government they have allowed the 6-plus percent pay increase for the 600,000 Postal employees. Therefore, in the pattern of what the President's own Cost of Living Council has allowed, it seems to be only equity that this adjustment be kept on schedule at this date of October 1, provided by the law.

I would hasten to point out that the reading by the Bureau of Labor Statistics on the pay in the private sector is already 6 months old. Thus, if we add another 2 months, we would widen the gap by 8 months.

I have been given a letter written by the Director of the Bureau of the Budget, Roy Ash, addressed to the Senator from Montana (Mr. MANSFIELD) recommending that the Senate resolution not be agreed to. I wish to note the reason he gives in his letter—that the difference between an October 1 and a December 1 effective date would be inflationary, aside from the fact that all the other pay groups have been allowed their inflationary jump or 4, 5, 6, and 7 percent in some cases. Why single out Federal employees and disallow what the law provides?

But, second, the Director of the Bureau of the Budget says that Federal employees just received a pay adjustment last January 1. Mr. President, let us set the record straight. The only reason Federal employees received that pay adjustment last January 1 was that the President had deferred it from October of last year. There have not been two jumps this year; the January increase was already overdue when it was dragged into adjustment. The time for this measure is now, October 1, beginning next Monday.

It is for that reason that the Committee on Post Office and Civil Service believes that all equity lies in the simple recognition that the President's delay be disallowed by the Senate. We do not fix the percentage; we do not have any business to fix the percentage, except to say that comparability must prevail. We are out of the pay adjustment business. We are seeking simply to establish the operation of the law signed by the President.

It is our considered judgment that there are no rationalizations that stand up to the test. Federal employees are already 6 months behind now and, therefore, equity calls for a pay adjustment to keep up with rising incomes outside Government.

We urge that the adjustment be announced by the President next week.

Mr. FONG was recognized.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me for a unanimous-consent request?

Mr. FONG. I am happy to yield.

Mr. ROBERT C. BYRD. Mr. President, this request has been cleared with the minority leadership; it has been cleared tentatively with the distinguished manager of the resolution, the chairman of the committee (Mr. McGEE), the distinguished Senator from Ohio (Mr. SAXBE), the distinguished Senator from Hawaii (Mr. FONG), the distinguished Senator from Utah (Mr. Moss), and the request is as follows.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at no later than 10:15 a.m. today the pending measure be set aside temporarily and the Senate proceed to the consideration of the military procurement bill; provided further, that at the hour of 12 noon the Federal pay adjustment measure be again resumed, that the unfinished business be laid aside temporarily, and that the debate on the Federal pay adjustment measure then be limited to 20 minutes, the time to be equally divided between Mr. McGEE and Mr. FONG or Mr. SAXBE, at the close of which 20 minutes the Senate proceed to vote on the Federal pay resolution.

Mr. FONG. Ten minutes on each side?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Hawaii further yield?

Mr. FONG. I yield.

Mr. ROBERT C. BYRD. If the Chair will indulge me, I ask that the time not be charged to either side.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, if a vote is reached on any amendment to the military procurement bill at any time prior to the hour of 11:45 a.m. today, that vote be set for the hour of 11:45 a.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the Senator for yielding.

PAY ADJUSTMENTS FOR FEDERAL EMPLOYEES

The Senate continued with the consideration of the resolution (S. Res. 171) disapproving the alternative plan for pay adjustments for Federal employees.

Mr. FONG. Mr. President, the resolution presently before the Senate, Senate Resolution 171, which I have cosponsored with the distinguished chairman of the Committee on Post Office and Civil Service of the Senate, would put into effect on October 1 of this year, a pay increase for approximately 1.3 million Federal white-collar employees and

approximately 2 million military personnel. Senate Resolution 171 would accomplish this by the procedure of disapproving the President's alternative pay plan to defer those increases for 2 months, to December 1.

For background, it might be well to recall for the Senate some of the history of the principle of pay comparability for Federal employees, which is the basis for this resolution.

In 1962, the Congress adopted the principle of comparability for Federal white-collar salaries with their counterpart salaries in private industry. This initial law was further refined by the Pay Comparability Act of 1970.

Under the Federal pay comparability law, as amended, the salaries of employees under the Federal statutory pay system—the white collar jobs—are fixed in accordance with the principles that first, there be equal pay for substantially equal work and second, Federal pay rates be comparable with private enterprise pay rates for the same levels of work.

The procedures for determining comparability call for the President to adjust the Federal pay rates annually on October 1 of each year. The adjustments are based on reports and comments from three separate advisory groups to the President. These groups are: first, the U.S. Civil Service Commission, the Office of Management and Budget, and the Bureau of Labor Statistics; second, the Federal Employees Pay Council, composed of Federal employee organization representatives; and third, the Presidential Advisory Committee on Federal Pay, composed of selected private citizens.

Under the law, the President also has the option of recommending an alternative pay plan to the Congress by August 31 of each year, if a national emergency exists or if national economic conditions dictate a change. The alternative pay plan could include an effective date other than October 1.

Either house of Congress would then have 30 days of continuous session after receiving the President's alternative pay plan to disapprove it, in which case the original pay plan effective October 1 would go into effect.

I must point out that all of these procedures now in law were worked out in detail between the respective committees of both Houses of Congress, the Civil Service Commission, the Office of Management and Budget, and the White House.

It is also important to recall for the record that, in 1971 and 1972, the President, utilizing authority under the Wage Stabilization Act amendments—Public Law 92–210—deferred pay increases for Federal white-collar employees. Under this authority, the pay increase scheduled by the Comparability Act for January 1, 1972, was deferred by the President to July 1, 1972. This deferral was due to the fact that the President's Wage Stabilization Board had not yet set national wage guidelines on salaries. However, before the deferral took effect and after the setting of national wage guidelines by the Board, the pay increase was reestablished by the Congress to take place on January 1, 1972, but at a lower rate—5.5 percent as compared with the initial 6.6 percent rate.

The President, under the same Wage Stabilization Act authority, postponed a second pay increase of 5.14 percent from October 1, 1972, to January 1, 1973. Congress agreed to this deferral.

On August 31 this year, the President sent to the Congress a third pay deferral proposal postponing the October 1, 1973 pay increase 2 months to December 1, 1973.

The President, in his deferral message, stated:

> At a time when the rising cost of living is a major concern to us all, the Federal Government and its employees have a special obligation to avoid any action that would needlessly fan the flames of inflation. . . It is in this spirit, and with the knowledge that the action I am taking will help to hold down the cost of living for all Americans, that I now recommend a sixty day deferral in the pending pay adjustment for Federal employees.

The President is correct in pointing out that we should avoid any action that would "needlessly fan the flames of inflation."

I commend the President for his many previous courageous efforts to curb inflation, particularly during this period when inflation is a worldwide problem. Compared with other major nations, the President has been far more successful in controlling inflation. Congress has sustained the President on most of his vetoes of measures he considered inflationary. I have stood by the President on every occasion, save one.

In this particular instance, however, I believe the President has been misadvised as to the impact of implementing the Federal white-collar salary increase on October 1, rather than on December 1.

I want to emphasize at this point that the President did not veto Federal white-collar salary increases. He simply deferred them for 2 months. This resolution is not one to override the President's veto. It is only one to set the effective date of increase on October 1, 1973, or 2 months later on December 1, 1973.

Again, I want to emphasize here that the President is in favor of a salary increase. He understands the need and justification for these increases, but would put them into effect on December 1 of this year rather than 2 months earlier. We are all in agreement that these increases must go into effect.

In asking that these salary increases go into effect on October 1 this year, as originally set by law, I would like to give the following reasons:

One, Federal salaries are already lagging behind private industry by at least 6 months. The Bureau of Labor Statistics survey of private industry salaries was made in March this year for adjustments in Federal salaries this October. In many instances, increases in private industry salary rates had been made many months before the BLS March survey.

We are advised by the Bureau of Labor Statistics and the Civil Service Commission that it takes from 3 to 6 months to process the raw survey figures into usable data from which valid comparisons with Federal salaries can be made.

Therefore, Federal salaries right now are lagging 6 months or more behind the salaries for comparable positions in private industry. Federal salaries are following, not leading, private industry salaries. If we are to observe the principle of comparability, it is essential that Federal salaries be brought up to industry levels as soon as possible.

Two, approximately 1.3 million Federal civilian employees and 2 million military personnel will receive pay increases under the comparability principle law.

There are some 85 million people in our national work force. The percentage of Federal employees and military personnel who would receive a pay increase on October 1, if this resolution passes, comprises only 4 percent of our national work force—a very small percentage by comparison.

I am not persuaded that a 2-month deferral of a 4.7-percent pay increase—which I presume would be the percentage increase—for 4 percent of our national work force would have any appreciable effect on holding the line on inflation.

Three, the cost of permitting a 4.7-percent pay increase to go into effect on October 1, rather than December 1, is estimated at $357 million.

In comparison to the total Federal spending budget for fiscal year 1974—estimated at $268.7 billion—$357 million is a miniscule amount. The impact on the Federal budget of the 2-month cost of the pay increase is diminished even further when one realizes that approximately one-third of the $357 million will be returned to the Federal Government in taxes paid by these employees.

Four, these Federal employees have already experienced one delay since the enactment of the 1970 pay comparability law. I believe it would be inequitable to delay their October pay increase to December 1.

Five, wage-board employees of the Federal Government have received their pay increases on a timely basis.

Generally, Federal employees are paid under either of two pay systems:

First. Statutory-salaried or white collar and

Second. Wage board or blue collar.

The white-collar employees are paid on a national wage schedule, while blue-collar employees are paid wages based on the prevailing wages in their local private industry.

Blue-collar pay increases vary in amounts and effective dates throughout the country, depending on the area in which the employee works. However, their pay increases this year and in 1973 have not been deferred, but have been allowed to go into effect on schedule.

I believe there are approximately 600,000 wage board employees. Their pay increases were not deferred in 1972. Nor have they been deferred this year.

To allow the blue-collar pay increases to become effective as scheduled and then defer the increases for white-collar pay is grossly discriminatory. The increases for Federal white-collar pay should be permitted to go into effect as scheduled by law. This would be treating all Federal employees alike.

Six, private industry wage settlements this year resulting from collective bargaining have been in the order of 5 or 6 percent. The 600,000 Federal postal workers received a 6.8 percent pay increase this year, retroactive to July 26—a pay increase approved by the President's Cost of Living Council.

So we see, Mr. President, already more than 1,200,000 Federal employees have had their pay increased this year and last year. Their pay increases have not been deferred, whereas here we would be deferring the pay increases for the white-collar employees if we were not to agree to this resolution today.

Certainly, a 4.7-percent pay increase for 4 percent of our national workforce is on the low side of salary increases when compared to those given other workers in our Nation this year. It is obvious the Federal white-collar pay increase effected October 1 will have only a very small impact on inflation.

I have studied this matter very carefully and have weighed the President's alternative pay plan and its accompanying message with great care.

After considering all of the facts, I am compelled by equity and fairness to call for permitting the pay increase for our 1.3 million Federal white-collar employees and the 2 million military personnel to go into effect on October 1, rather than delaying it 2 months to December 1.

I urge the Senate to approve Senate Resolution 171.

Mr. McGEE. Mr. President, I yield 3 minutes to the Senator from Utah.

Mr. MOSS. Mr. President, I support the Senate resolution. It seems to me that the President has shown an incredible insensitivity in attempting to delay the Federal employee pay adjustment on the spurious grounds that its effectiveness will lead to more inflation.

Now, it may be true that Mr. Nixon can be credited with some accomplishments during the past 5 years. But I am afraid that successful management of the economy is not among them.

The economic track record of the Nixon administration is one of the worst in the history of this country. The record of the past 5 years includes two devaluations, sustained unemployment, skyrocketing inflation, chronic balance-of-payments deficits, and, as the latest wrinkle, recordbreaking interest rates.

The litany of economic failure during this administration has now become almost as depressing as its moral obtuseness. When it comes to the pay adjustment for Federal employees, President Nixon has actually managed to combine economic ineptitude with insensitivity to considerations of basic fairness.

Last month President Nixon announced that he would attempt to postpone from October 1 to December 1 the pay increase mandated under the Federal Comparability Act of 1970. It was the third time in 3 years that the President has attempted such a delay. Unfortunately, Congress acquiesced to the first two delays, despite the strong objections of a number of us here in the Senate, and even though in 1971 we eventually restored some of the pay lost through that delay.

This time I believe the President will not be able to get away with the sleight-of-hand gesture of controlling inflation at the expense of the Federal employees. The Senate should vote to block the delay and insure that Federal salaries are brought closer in line with salary levels in the private sector.

A majority of the Senate is now aware that it is unfair to hold down Federal salaries at a time when prices are rising at a rate of more than 10 percent a year. Most of the credit for the new awareness must go to the American Federation of Government Employees.

In the past, the legitimate interests of the Federal employees have often been ignored simply because Congress has believed that, unlike many other groups in society, the Federal employees were diverse and politically unorganized. But now, thanks largely to the efforts of the AFGE, the point of view of the Federal employee is being presented in a cogent and forceful manner.

As a result, I believe the Senate will reject the President's arguments for still another delay in the Federal pay adjustment. For it is clear that these arguments are bogus ones. All of us want to see an end to the current inflationary spiral. But depriving the Federal employees of the adjustment that the Pay Council has recommended is hardly the answer to inflation. It is rather like attempting to cure cancer with an aspirin tablet.

President Nixon used the anti-inflation argument in both 1971 and 1972 when he kept Federal salaries below those in the private sector. But these delays did not put a stop to rising prices, and the latest proposed delay would be no more successful. If the President is really serious about controlling prices he should stop fiddling with Federal pay adjustments and take a serious look at corporate profits which increased more during the first two quarters of 1973 than ever before in history.

The President's continued attempts to control inflation by holding down Federal salaries is at best a nonsequitur. It is like the man who after a bad day at the office returns home and begins beating his dog. The difference, of course, is that we are not talking about a dog, but about a large number of dedicated public servants who are finding their hard-earned income steadily eaten away by rising prices.

Senate Resolution 171 is related to inflation in one very important way. But Mr. Nixon has the realtionship the wrong way around. Delay of the Federal pay adjustment will not put a stop to inflation. But passage of this resolution will enable a very important group of Americans to make up some of the losses they have already suffered as a result of inflation.

This period of the most rapid advance in prices we have experienced in two or three decades, when the cost of food is soaring, is the least propitious time to put a delay on the comparability adjustment of the salaries of those who happen to work for the Federal Government.

I commend the AFGE for its work in bringing this issue clearly to the attention of the Senate, and I hope this body will vote decisively for Senate Resolution 171.

I thank the Senator for yielding.

Mr. McGEE. Mr. President, in behalf of the proponents I yield the floor.

Mr. SAXBE. Mr. President, I am well aware of the unpopularity of the job I have to do this morning. But it is something that needs to be done, and I think that there is good reason to try to understand the President's position. If we are interested in trying to balance the budget, hold the line on inflation, and are interested in trying to put some soundness into the dollar, I think we should pause before we vote and consider where we are headed on these issues.

I know everyone needs more money in this country. Certainly the Federal employees, with their loyalty to their jobs, need the money. Certainly the military people do, also. The blue-collar workers, the white-collar workers, the General Motors employees, the Chrysler employees, and the farmers, in this time of inflation, need every cent that they can get, and it still is not enough. There are millions of people in this country on fixed incomes, either living on savings or some kind of private pension plans, social security, or aid to the aged, who are locked into a fixed income and cannot get the relief that we are talking about for Federal employees this morning.

The administration has often asked Congress for a balanced budget—a budget that is based upon the amount of income that this country receives and the amount of income that is to be spread around over the various costs of Government. Without exception, we have turned down those requests. We seem to have the concept in this country that we do not even need to go to the people for taxes any more. I do not know whether we will ever have another tax increase. We have found out that we can take it all out of the inkwell; simply run up the debt and then simply print the money to pay off the debt, and we are supposedly back in business. It is a rather shocking development that we have seen since we have discovered that all we need to do is run the printing press a little faster, and that we can solve any problems.

But let me tell you, any country that has tried to solve its economic development problems through the printing press, through inflation of its currency, has eventually faced a severe disaster. As the printing presses speed up, the money gets worth less and less, and you never catch up.

The President has recently been trying, through various small measures, because he cannot get any of the big ones through, to control inflation. It is almost a retrograde action. He fights from one stump to another. He holds out as long as he can on one particular issue until he realizes he has to give up. Impoundment was such a stump for a while; then the dam burst, and impoundment is over. Then we have had various economic measures; such as the price ceiling on gasoline as a temporary measure. But this measure is going to have to go also. It causes injustice to the gasoline station operators, because the big companies can

profit without providing a passthrough for the operator. We know that the money market today is pinching millions of people; it is holding back housing development. It will most certainly have serious repercussions.

Why does the President request a brief 2-month delay in pay increases when he knows it is only a temporary measure? Simply because we gain a little here and we gain a little there, holding on, while trying to make the dollar more solid.

If we are going to go into this spiral, with no apparent end to it, I just do not see why we do not build in a 10-percent yearly increase for Federal employees. In the last 10 years, the pay of Federal employees has been increased 81 percent. This is a startling reflection, not upon their inflation, but on the inflationary process of the country. If we are going to continue to do this another 10 years, I question whether we can hold it at 81 percent. The President is trying to hold the line almost single-handedly, but almost everyone disagrees with him and with the nature of the individual actions. We say, "He can't do this to gasoline operators, to real estate men, to builders. This is an injustice; it is unreasonable."

We say, "He can't do this to Federal employees. Why should they bear the brunt of this?"

The fact remains that in this retrograde action we are fighting a backward fight in trying to hold the line to make the American dollar meaningful, not only in this country but also throughout the world.

The Economic Stabilization Act was designed to bring Federal employees into parity with their counterparts in industry. As a result of this, they have received an 81-percent increase in the last 10 years. But a 2-month's delay, amounting to approximately $80 for each Federal employee concerned, will contribute a lot to hold down inflation. This $350 million is important.

More than that, it would be a symbol to the rest of the country. I might say that the wage earners in the country have been very patient. It will be a symbol to them that we must all bear a fair share of the fight against inflation.

Four percent of the employees of the country are not necessarily going to precipitate the entire country into a 10-percent increase in December or a 10-percent increase Low, but it will contribute to an overall inflationary effect.

I feel very strongly that the Federal employees I am acquainted with do need an increase, but I do not think it is unreasonable to ask that the increase be held up until December; if for no other reason than to demonstrate to the employees in private industry that we all share in this problem. I am also aware that once this inflationary move goes into effect, we can expect it to occur all over the country.

What is really the role of Congress in this situation? What role have we had? We profess that we are going to be fiscally responsible, that we are going to set a budget of our own, and that we are going to allocate the money available in that budget. But if we go over that budget, then we would have to say that this money has got to come out of new taxes; it is going to have to come from somebody else, because we just do not have it. In other words, it would have to come out of some other program. Or we will have to say that the money will have to come from the deficit that has been referred to so often. We increase the debt limit also for this purpose. We have got into the habit—in this body, anyway—of thinking that we are not vitally concerned with this. Last week, in this body we had an amendment come before us that would speed up social security from next spring to the present. The cost was estimated at $800 million. Why, we ran over each other trying to vote in favor of that measure. We could hardly wait to vote for it. No one said, "Are we going to increase the social security rates? Are we going to increase taxes now? Are we going to take this out of the general fund? Are we going to raise the debt limit?"

No. No one talks about the unpleasant parts. We want all the goodies. We want to vote for an increase in social security. We want to vote for all the benefits. But even when it comes to increasing the debt limit, everyone sits around here and says, "We cannot vote for the debt limit, because it is not our fault."

Well, if it is not our fault, whose fault is it? Whose responsibility? Who else votes on these questions?

So we have a fight on increasing the debt limit. We never take it away from someone else.

I, and others, are working on a program to have a congressional office of the budget. The distinguished Senator from Montana (Mr. METCALF) is the chairman of the subcommittee and I am the ranking minority member. We have put in a lot of time trying to put together a plan that will enable us to analyze our own budget. Many Senators have appeared at the hearings of the joint committee and before our subcommittee who think this is a good idea. But it is floundering. I do not believe it will get through this session and I question whether it ever will take effect. It seems to me we do not want fiscal responsibility here. We would rather be fiscal "junkies." Every kind of spending idea that comes along, we want to get in on it. We do not even want to talk about the unpleasant part about raising taxes, the distasteful aspect of raising the debt limit or taking it away from someone else in another program.

In the very bill we are interrupting now, we have the so-called recomputation. There are many retired military people who badly need the increase of recomputation. I might say that a person who purchased an insurance policy in the 1930's and the 1940's, expecting to retire on it, needs to be recomputated. Also, people in private pension plans, we can make a case for them. There is no reason why we should not be sympathetic to those people who would like to be recomputed. The cost of this is some $16 billion over the lives of the people we recompute, if we never recompute them again. But I would guess we would continue recomputing them year by year. But if we never recompute them again, it will cost $16 billion. Still no mention of where the money is coming from on the floor of the Senate.

I asked someone about that and he said, "Well, we have a firm assurance that it will be killed in the House." Mr. President, what kind of business is this? Is the Senate trying to fool our military people by voting for their bill with the assurance that we know it will be killed somewhere else? That is the phoniest argument I have ever heard. But it seems to be the practice.

Who says where the money is going to come from? We do not even talk about it. The very people who run over each other voting for an increase in the debt limit will say, "I have nothing to do with that. That is the fault of that criminal administration downtown which is responsible for all Government spending."

Well, Mr. President, let me point out that the executive branch cannot spend 1 cent that this body does not approve sooner or later.

When we talk about the rest of the economy, the average fellow employee who is affected by this raise now makes $13,000 plus $3,200 in fringe benefits. These are figures given me by the Bureau of the Budget. This is not the lower income group. We can call them blue-collar workers or whatever we want to, but if the people affected by this, the average Federal employees, are going to be put out by $80 in an effort to hold together the line on inflation, I think that is not unreasonable. The psychological impact upon the rest of industry and labor with the spendthrift image of Congress in their minds will have a tremendously greater effect on the overall inflationary pressures.

Yes, the raises of last January were put off, but within 12 months, and still have a substantial life which means 81 percent in 10 years.

What workingman in the shops has had an 81-percent pay increase in his job over a period of 10 years?

Mr. STEVENS. Mr. President, will the Senator from Ohio yield?

Mr. SAXBE. I yield.

Mr. STEVENS. Is the Senator familiar with the fact that the increase we are talking about in this resolution, which should go into effect October 1, is a recomputation based on comparability with pay raises that 93 percent of the employees of the country have already received? Here we are dealing with 7 percent of the employees of the country who have not received it. It is already a year behind in terms of comparability. Does the Senator realize that?

Mr. SAXBE. I realize that, of course. But I do not think it is 7 percer' It is nearer 4 percent.

Mr. STEVENS. Let me ask the Senator another question——

Mr. SAXBE. Let me say this to my good friend from Alaska, that I do not expect to change his vote, or any other vote; but I do think there are some things that should be said about spending in regard to wages. If the Senator will let me complete my remarks, as I have nothing to say that will be an affront to the Senator, then I shall be glad to yield to him.

Mr. President, the so-called spiraling inflation is a serious question. As I say, it is much more serious because there is a philosophy that is growing as a result of this inflation that should shock all of us.

Suppose the average blue-collar worker reaches the point where he is receiving $2,500 a month and his rent is $750 a month for what he is now paying $150 a month. In other words, inflation affects everyone, but worst of all, it hurts those we are trying to help here today.

Inflation is the most insidious thing that can affect our country.

Look at the countries that have fallen recently, like Chile. They have fallen because they were not able to control runaway inflation, which resulted in all kinds of civil disturbances.

Look at the results of inflation in countries that we had great hopes for becoming democratic countries. We have seen them go into controlled economies where inflation is no worry, where we see so many pounds of potatoes for a ruble or a dollar. They do not have to worry about inflation.

Some Senators went to Russia recently. I was one of them. We stayed in a prominent hotel. At 6 o'clock in the evening the dining room filled up with people. Every last table was occupied and every last chair was pulled out. The people came in at 6 o'clock. They went in and had dinner. There was a dance band there and everything.

I said, "My goodness, how can these people afford this kind of thing?" I asked, "How much does this cost?" I was told 85 rubles, which is about two and a half weeks pay for the average worker in Russia. I said, "These people are not in the higher income brackets." No, I was told, these are the people getting that pay, and they have to make their reservations 9 months ahead of time. They like to bring their wives to dinner. I wondered, how do they afford it? How can they spend their money there? Their rent is controlled. Their food is controlled, and their clothing is rationed. Their vacations are also controlled. They cannot buy an automobile. In other words, we do away with the marketplace when we have a controlled economy, but we also have done away with any effective control by people over their own lives as they would like to manage them. They turn them over to the government to manage for them.

Mr. President, this is not the time for a lengthy discussion on inflation, but what I am saying is that a controlled economy is the only successor to inflation. After a certain period of wildness one is then thrust into what must necessarily be a tightly controlled economy.

I am saying now that the President, in his effort to fight this retrograde action, to hold the line on this and hold the line on that, even though it will hurt certain groups of people now, it will hurt the building and loans this week, and the builders next week, and then the Federal employees, if we do this.

I acknowledge that, but it is going to mean that the dollar he gets is going to be worth something, not only this year but also next year. If we try to control this country out of the printing press, it is going to mean that there is no turning back. If Congress is not willing to exercise fiscal responsibility, no one else is going to do it.

We said earlier, before the military procurement bill came up, that we can increase social security, that we can do all these things, because we are going to take it out of the military procurement bill. We have seen how they are going to take it out of the military procurement bill. Everything has gone sailing through. In fact, we bought about another billion dollars worth of F–14's. We have added to the military procurement bill. Yesterday, there was an amendment for some troop cuts. It probably will not stand up. We have said all along that we are going to take it out of the military procurement bill and that we can afford some of these reckless things.

There are things for which we need to spend money in this country, and there are things we can afford to do without. But there is also the fact that if we are going to go beyond our budget, if we are going to spend money we do not have, we will have to do one of three things.

First, we will have to increase the taxes, and nobody wants to talk about that. I would go for an increase in taxes. I am a spender. I would like to give the Federal employees more money. But I would like to tax the people so that we would keep it from being inflationary.

Second, if we do not do that, we will have to take it from somebody else, and nobody takes it from somebody else in the Federal Government. We have programs 40 years old, and nobody knows what they do; but they just pump money into them because we have a bunch of bureaucrats telling us how important the programs are.

Third, we will have to increase the debt limit. The Office of Management and Budget would have to require that anybody who says, "We are going to increase this or that," would have to say, "We are doing one of these three things." Then, when they come back at the end of the year and ask for an increase in the debt limit, we could no longer hide and say, "There ain't nobody here but us chickens."

That is the way we act. Everybody stands up and says, "I had nothing to do with that. It's the spenders downtown." The old political trick of voting for all spending and against all taxes is finally coming back to haunt us. We are now in an inflationary spiral and are making it increasingly worse.

With respect to this measure, I say we should hold off for 2 months. It is going to pinch; it is going to hurt people who deserve the raise. But let us try to help the President in his fight to hold the line on inflation. I believe that, if nothing else, it could turn the corner in this country by being the psychological thing that demonstrates to the country that we are fiscally responsible and that we are going to try to hold the line.

Mr. President, the Federal Government pays its employees about $50 billion each year in direct wages and salaries. In addition, it pays $9 billion for fringe benefits. These are massive amounts, and they reflect not only huge employment but also the high wages the Federal employer pays.

What the President proposed—this 60-day deferral of yet another increase—will save the taxpayers $340 million. Now, it could be argued that in this arena of billions, the savings are small. But two points should be made. One is that because the work force is so immense, any penalty suffered by a particular employee is extremely small. Second, but even more important, this $340 million will have to come from somewhere else. It can come from a mental health clinic, a drug addiction center. It can come from a manpower training center or a veterans hospital. Or it can be an add-on to the Federal debt. Then it comes from every citizen's pocket through higher prices for everything he buys.

Does that make sense? Do we want to bust the budget by $340 million so the Federal employees can get their pay increase 2 months early, when they had an increase only last January? The President is trying to stay inside the budget. This resolution would undermine the budget to provide a small monetary gain to Federal workers. It should be defeated.

Mr. McGEE. Mr. President, I ask unanimous consent that an excerpt from the committee report be printed at this point in the RECORD.

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

EXCERPT

PURPOSE

The purpose of this Resolution is to express the disapproval of the Senate of the President's alternative pay plan sent to the Congress September 5, 1973. The alternative pay plan would postpone a pay adjustment for Federal employees from October 1, 1973, to December 1, 1973. Section 5305(c) of title 5 provides that the President may submit an alternative pay plan to Congress if he believes an October 1 pay adjustment is inappropriate because of economic conditions. It also provides that the President's alternative plan becomes effective unless either House of the Congress adopts a resolution within 30 calendar days of continuous session after the date on which the alternative plan is submitted. Approval by the Senate of this Resolution would thus have the effect of nullifying the President's postponement so that Federal employees would receive an October 1, 1973, pay adjustment, in accordance with the provisions of law, if the Resolution is adopted prior to that date. If this Resolution is adopted after October 1, the pay increase would become effective at the beginning of the first pay period on or after the adoption date.

BACKGROUND

In 1970 the Congress enacted the Federal Pay Comparability Act, the basic purpose of which was to divest Congress of what had become an almost annual exercise of considering and enacting Federal civilian pay adjustments. But the Act retains for Congress its historic policymaking authority in the matter of determining how Federal compensation shall be adjusted. Supporting the Comparability Act is the undergirding principle of comparability established by Congress as public policy in 1962—the principle which holds that Federal pay rates shall be comparable with private enterprise pay rates for the same levels of work (5 U.S.C. 5301).

Under the Comparability Act, the Bureau of Labor Statistics assembles data each spring comparing the pay rates of Federal

employees with rates at the same levels of work in private enterprise. These findings form the basis of a report to the President from his agent recommending appropriate rate adjusments. The President has named the Office of Management and Budget and the Civil Service Commission as his agent. The Act establishes an independent impartial three-member Advisory Committee on Federal Pay appointed by the President from outside Government. The Advisory Committee assists the President in his purpose of carrying out policy as established by Congress when it adopted the comparability principle. The Committee reviews the report of the President's agent, considers additional views, and reports its recommendations to the President.

The law directs the President's agent to establish a five-member Federal Employees Pay Council to represent Federal employee organizations and to have meetings with the Council to hear its views and recommendations. The views of the Council may include the coverage of the annual BLS surveys, how the private-government pay rates are compared, and the most equitable percentage adjustment to be recommended to the President.

The President considers the report of the Civil Service Commission and the Office of Management and Budget together with the findings and recommendations of the Advisory Committee and adjusts statutory pay rates in accordance with the comparability principle. The adjustments are effective October 1. He sends to Congress a report of the pay adjustment and a copy of his agent's report and the recommendations of his Advisory Committee.

On September 5, 1973, the President sent a message to Congress transmitting an alternative plan postponing the adjustment until December 1. He said that his agent recommended a 4.77 percent increase and that this recommendation was being considered by his Advisory Committee, which had not yet advised him of its views of the percentage recommendation. He said he would decide on the size of the December 1 increase in late September, and he called on Federal employees to be prepared to make sacrifices in order to hold down inflation.

STATEMENT

In approving S. Res. 171, the Committee considered the President's reminder in his message on the need for sacrifice. "At a critical time in the economic health of our Nation," he said, "when many are being called on to make sacrifices in order to hold down inflation, no one should enjoy special immunity." The Committee agrees and offers the parallel view that no one group should be singled out as less worthy than others of catch-up relief made necessary by economic conditions apparently out of control. Private industry settlements this year resulting from collective bargaining have, in the main, been reasonable—on the order of 5 or 6 percent. Other Federal employees, the 600,000 postal workers whose representatives annually negotiate with management on pay, have received a 6.8 percent pay increase retroactive to July 26, a pay adjustment approved by the President's Cost of Living Council. Negotiations with the Postal employees were efficiently completed in short order. The difference in cost between a 4.77 percent increase for Federal statutory employees on October 1 as opposed to December 1 is $156.0? million, a paltry sum when compared to total Federal spending. The Committee does not believe that this amount, even when added to the $201.7 million cost of a military pay increase (which, under law, would follow) at the earlier date, would have a worsening effect upon the Nation's inflationary difficulties.

The Committee has taken note of the differences of opinion which have arisen between the Federal Employees Pay Council (the employee group appointed by the President's agent) and the agent (the Civil Service Commission and the Office of Management and Budget). The Council recommends a 5.47 percent increase, plus a cost-of-living supplement of $198 for each statutory employee without regard to salary. The Council bases its higher figures on the fact that since March, 1973, when the BLS survey was made, the Consumer Price Index has steadily risen (2.3 percent between March and July) and the annual inflation rate is much higher. The Committee expresses no views in this dispute, taking the position that the law should be the controlling factor: "Federal pay rates [shall] be comparable with private enterprise pay rates for the same levels of work." (5 U.S.C. 5301).

The Federal Pay Comparability Act of 1970, designed to provide periodic catch-up pay increases, which allow Federal employees to lag about six months behind the pay rates of comparable private-enterprise employees, obviously is not working as planned. This fact gives the Committee strong concern, suggesting the need for review of the procedures established by the Act. The chief difficulty is related to the fact that the "alternative-plan" provision of the Act, seen when the measure was acted upon as a safety valve to give the President some leeway in triggering a pay increase in times of national emergency or adverse economic conditions affecting the general welfare, is invoked almost every year by the President. His September 5 message marked the third time in three years he has submitted an alternative plan. The President proposed postponing a January 1, 1972 pay increase of 6.6 percent for a half-year. The Congress intervened and provided a 5.5 percent increase for January 1, 1972. He postponed the October 1, 1972 increase of 5.14 percent until January 1, 1973. And now again, he proposed a deferral. The Committee believes the postponement he now proposes, in all equity, should be nullified.

COST

Since the President has announced no percentage pay adjustment figure, it is impossible to compute the cost of adoption of this Resolution. However, if the 4.77 percent figure suggested by the President's agent is recommended, the differences between an October 1, 1973, effective date and a December 1, 1973, effective date are: Federal statutory employees, $156.2 million; military, $201.7 million.

This estimate is provided by the Civil Service Commission.

Mr. FONG. Mr. President, I ask unanimous consent that the names of the distinguished Senator from Indiana (Mr. HARTKE) and the distinguished Senator from Alaska (Mr. STEVENS) be added as cosponsors of Senate Resolution 171.

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

Mr. McGEE. Mr. President, I ask unanimous consent that the names of the following Senators be added as cosponsors of Senate Resolution 171: The Senator from West Virginia (Mr. RANDOLPH), the Senator from North Dakota (Mr. BURDICK), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Utah (Mr. MOSS)—all of whom are members of the committee.

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

Mr. McGEE. Mr. President, what is the time situation?

The PRESIDING OFFICER. One minute remains until the time to resume the consideration of the unfinished business.

Mr. McGEE. Mr. President, the Senator from Ohio made an eloquent statement for a rigid and tough combating of inflation, and I buy that.

If the President would just say to us, "We are going to freeze all wages, all profits, and all interest rates; let us get with it," that would be one thing. But he set up a Price Control Board and a Cost of Living Board, and they have recommended 4-percent, 5-percent, 6-percent, and 7-percent wage increases because of increases in the cost of living. Only this white-collar group of Federal employees, for the most part, has been left out. All their colleagues have been included.

The President, himself, is not stopping the increases. He is simply deferring them to December 1.

Let us get tough and impose the freeze on all, or let us at least be willing to deal in equity and not to flout public law. Public law says that a decision has to be made by October 1, not that it should be deferred to December 1.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate resumed with the consideration of the bill (H.R. 9286) 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.

AMENDMENT NO. 544

Mr. STEVENS. Mr. President, I call up my amendment 544.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

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

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. —. Notwithstanding any other provision of law, under such regulations as the Secretary of Defense shall prescribe, where housing on any military installation is insufficient to provide quarters for all members of the Armed Forces (and their dependents) assigned to duty at such installation, all members assigned to duty at such installation and not furnished Government quarters shall be paid quarters allowances in the same amount without regard to grade.

Mr. STEVENS. Mr. President, while traveling abroad in recent weeks, I had occasion to speak with various young servicemen, and as a result of our discussions, I observed a very disturbing situation which has confronted junior enlisted members of the armed services for too long.

Married servicemen of the lowest military rank, or E–1, E–2, E–3, and E–4 with less than 2 years of service, stationed at high cost of living duty assignments throughout the world, are unable to provide their wives and children with adequate housing facilities in situations where on-base housing is unavailable and the serviceman's family chooses to join him at his duty station. There are presently about 23,000 junior enlisted servicemen oversea who have transported their wives, and in some cases, their children, to their duty station at their own expense. Once a serviceman of low grade is accompanied by his wife and family to a particular duty station, and on-base housing is unavailable, he is faced with renting suitable accommodations in inflated housing markets on quarters allowances which are not commensurate with his housing needs, if he receives them at all.

To provide an eventual remedy to this situation and to accomplish an adequate subsistence for housing for all military personnel, I have offered an amendment—and I have a substitute for it—to the military procurement authorization bill which will direct the Secretary of Defense to study the present payment of housing allotments and quarters allowances for military personnel and their dependents where on-base housing is unavailable.

Congress recently passed amendments to make permanent certain provisions of the Dependents Assistance Act of 1950. That act, as amended, now provides for payment of amounts to military personnel for basic allowances for quarters.

I ask unanimous consent to have printed in the RECORD a table of allowances, showing the allowance with dependents and without dependents.

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

	With dependents	Without dependents
E–1	105.00	60.00
E–2	105.00	63.90
E–3	105.00	72.30
E–4	121.50	81.60
E–5	138.60	92.70
E–6	150.00	95.70
E–7	161.40	104.70
E–8	172.20	122.10
E–9	184.20	130.80
W–1	160.80	123.90
W–2	173.70	137.10
W–3	191.70	155.40
W–4	207.90	172.50
O–1	141.60	108.90
O–2	175.80	138.60
O–3	195.60	158.40
O–4	215.40	178.80
O–5	238.80	198.30
O–6	258.30	211.80
O–7	288.00	230.40
O–8	288.00	230.40
O–9	288.00	230.40
O–10	288.00	230.40

Mr. STEVENS. An E–1 receives a $60 allowance, off-base, without dependents; $105 with dependents. The top of the allowance scale is $288 with dependents and $230 without dependents.

It seems strange to me that a serviceman in the lower ranks, with dependents, would receive less money for allowance for quarters off-base than a person without dependents, without regard to what his rank would be.

The purpose of my amendment is to require that the allowances—off-base housing allowances, in particular—be paid without regard to military grade.

At present, military personnel above E–4 are provided cost-of-living allowances at overseas duty stations with inflated costs of living. The provisions of 37 U.S.C. 402 et seq., permit the payment of allotments for travel costs, shipment of household goods, trailer allowances, dislocation allowances, oversea station allowances, the shipment of privately owned vehicles, and tax advantages, all at Government expense.

Mr. President, junior enlisted personnel do not receive these benefits. The evidence of inequity to junior enlisted military personnel is further amplified by observing the differences between the housing payments and benefits allotted to junior enlisted personnel and senior grade personnel. In high cost of living stations, such as Germany and in various duty stations in the United States, where on-base housing is unavailable, low grade military personnel with dependents must move to off-base housing and be subject to the same housing market regardless of rank or housing requirements. This situation poses a distinct disadvantage and hardship to lower grade servicemen because they are paid quarters allowances on the basis of rank and long term commitment to the military rather than on the basis of housing requirements. Consequently, an E–2 with a wife and children receives significantly less in quarters allowances and housing benefits than bachelor senior grade personnel.

This practice of failing to adequately compensate junior enlisted military personnel for off-base housing where on-base housing is unavailable has resulted in inadequate living conditions for a significant segment of the military population of junior enlisted personnel.

I have a feeling it has a great deal to do with turnover and the lack of reenlistment of people in these ranks.

Therefore, I consider it necessary to analyze the existing military quarters and housing compensation system in depth so that the inequities which have persisted may soon be revised and junior enlisted personnel may be afforded adequate housing allowances in lieu of on-base housing.

My amendment provides for a mandated study by the Secretary of Defense to revise the differentials of the existing housing compensation system, and requires that the Secretary place particular emphasis on the compensation of military personnel for off-base housing. The amendment further directs the Secretary to complete the study within 4 months after its enactment and submit a Department of Defense proposed method to accomplish the system improvement objectives to Congress. By the submission of this study by the Secretary, the Congress will be able to analyze the inequities in compensation paid to junior enlisted personnel for off-base housing, and either accept or modify the conclusions, recommendations, and analysis of the Secretary for appropriate revision to the existing housing compensation system.

Mr. President, in particular, in Germany I visited four young enlisted men with dependents who were living off base because quarters were not available. They were not available primarily because they were not given any allowances for their families. They were really not permitted to have their families with them in accordance with military regulation but most of them had just been married and had taken their wives with them. Several of them had children that had been born in Germany, very young children. It seemed to me that the conditions they were living in were probably the worst I have seen at any military base.

In one instance a couple had two children in a cold water, third floor, walk-up flat. They did not have any transportation and the young man had to walk back and forth to the base 5 miles a day because his income was just sufficient to pay for the housing and food. They had no life at all except in that cold water, walk-up flat. They had made the decision they were going to stay together in spite of the Army, which I think is a decision we should encourage. It is up to Congress to see to it that these young men, and particularly these young families, receive the money they need to live on in accordance with the standards we expect of our services.

I have discussed this amendment with the manager of the bill.

At this time I wish to send to the desk a substitute for my amendment No. 544.

The PRESIDING OFFICER. Does the Senator ask unanimous consent to modify his amendment?

Mr. STEVENS. Mr. President, I ask unanimous consent to modify my amendment.

The PRESIDING OFFICER. Is there objection to the modification? If not, the amendment is so modified. The amendment as modified will be stated.

The assistant legislative clerk proceeded to read the amendment as modified.

Mr. STEVENS. Mr. President, I already have explained the amendment and I ask that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment ordered to be printed in the RECORD is as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. —. The Secretary of Defense shall conduct a comprehensive study and investigation of the present system for the payment of quarters allowances, station housing allowances, and station cost-of-living allowances to members of the armed forces and report the result of such study and investigation to the Congress not later than four months after the date of enactment of this Act together with such recommendations for the improvement of such system as he deems appropriate. He shall specifically include in such report suggestions for a system that will (1) provide for the payment of quarters allowances, station housing allowances, and station cost-of-living allowances to all military per-

sonnel having the same number of dependents where adequate quarters are not furnished by the Government for such personnel and their dependents, and (2) provide for the payment of station housing allowances and cost-of-living allowances to all junior enlisted personnel in cases where such personnel are permanently assigned to any duty station for more than 6 months.

Mr. THURMOND. Mr. President, I have talked with the distinguished Senator from Alaska about this amendment. There is no question about the housing situation. It is one that deserves great consideration. So far as we are concerned on this side we are willing to take the amendment to conference. It merely provides for a study and it could result in a great improvement in the situation. I hope it will be accepted on the other side.

Mr. SYMINGTON. Mr. President, I have discussed this matter with the distinguished Senator from Alaska and also with the ranking minority member of the committee. We are prepared to accept the amendment on our side.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. STEVENS. Mr. President, I appreciate the courtesy of the manager of the bill and the ranking Republican member on the committee.

Before yielding back my time I wish to say this. I understand the circumstances of this bill this year. I am quite hopeful from the discussions that the amendment will survive in conference to tell the Department of Defense to get on with their review of this matter. I know they have a study coming up through the Department of Defense and I know they are proceeding along the same line of providing off-base allowances, based on rank.

As far as I am concerned, that concept of housing with respect to on-base housing is one thing, but when personnel go off base it seems to me the problem of the serviceman's needs should be considered first, and not his rank.

An E–1 with children obviously cannot get quarters with the allowance he has today, nor will he anywhere in the world, with the declining value of the dollar, as long as they give a bachelor colonel almost three times as much as the E–1 gets, when the E–1 has greater need for housing for his family.

I hope this measure survives conference and if it is not straightened out, next year when this bill comes up I intend to press very hard for a congressionally mandated system that provides for the need without regard to rank.

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

Mr. THURMOND. I yield back our time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Alaska, as modified.

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. The Senate will now proceed to the consideration of the Clark amendment, No. 519, on which there is 4 hours for debate.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that consideration of that amendment be temporarily delayed. Senator CLARK is away from the Senate due to a death in his family.

LEAVE OF ABSENCE

Mr. President, I ask unanimous consent at this time—and this is a request I should have made yesterday—that under rule V Mr. CLARK be given a leave of absence from the Senate on yesterday and today because of a death in his family.

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

Mr. ROBERT C. BYRD. But probably he will be back by 12 o'clock or 1 o'clock today and we can then proceed with his amendment.

QUORUM CALL

Mr. President, in the meantime, 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.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on an amendment by Mr. JACKSON to provide four star rank to Admiral Rickover, there be a time limitation of 30 minutes, to be equally divided in accordance with the usual form.

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

Mr. ROBERT C. BYRD. I ask unanimous consent that on an amendment by Mr. JACKSON providing extension of military sales to Israel to the year 1975, there be a time limitation thereon of 1 hour, to be equally divided in accordance with the usual form.

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

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

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

ADMIRAL RICKOVER

Mr. JACKSON. Mr. President, I send an amendment to the desk, which I ask to be read.

The PRESIDING OFFICER. The amendment will be read.

The assistant legislative clerk read the amendment, as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. —. In recognition of the vital contribution of Vice Admiral Hyman G. Rickover (United States Navy retired) to our national defense and in special recognition of his invaluable guidance, initiative, and perseverance in developing the nuclear submarine, the President is authorized to appoint the said Hyman G. Rickover to the grade of admiral on the retired list with all the rights, privileges, benefits, pay and allowances provided by law for officers appointed to such grade.

Mr. JACKSON. Mr. President, the amendment to H.R. 9286 which I have just sent to the desk regarding Admiral Rickover is identical in language to the bill, H.R. 1717, which has already passed the House.

In substance, what this bill does is to authorize the President to appoint Admiral Rickover, who is a vice admiral, to the grade of admiral. While in an active status, Admiral Rickover would draw the full pay and allowances of any other officer in the grade of admiral.

When he leaves active service he would be treated like any other retired four star admiral and receive the appropriate percentage of the basic pay of that grade.

As a technical matter, Mr. President, Admiral Rickover is on the official "retired list" but at the same time is on active duty. When he leaves active duty, he would still be on the retired list in the grade of full admiral under the authority of this legislation.

As a matter of legislative history, Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the House report on this matter, which among other things, indicates the strong support of the Navy for this legislation, together with the text of H.R. 1717 to authorize the President to appoint Vice Adm. Hyman G. Rickover, U.S. Navy retired, to the grade of admiral on the retired list.

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

PURPOSE OF THE BILL

The purpose of the bill is to authorize the President to appoint Vice Admiral Hyman G. Rickover, United States Navy, retired, to the grade of admiral on the retired list.

Passage of the bill would be recognition by the Congress and the President of the singular contribution that Admiral Rickover has made to national defense and particularly the initiative and perseverance he has shown in bringing about the development of the nuclear submarine. Admiral Rickover's great achievements are well known to the Members of Congress and to his countrymen. He is a unique American whose indomitable drive enabled the United States to develop and deploy an invulnerable undersea nuclear deterrent.

Admiral Rickover's present status is that of an officer on the retired list who has been recalled to active duty. He originally retired on February 1, 1964, and was recalled to active duty on the orders of the President. As a retired officer, he is ineligible for consideration for promotion under the normal selection procedures.

The Committee on Armed Services appreciates that promoting a man to a rank above what his billet would normally call for and in a manner which may cause asymmetry of rank within the chain of command can be justified only in very exceptional circumstances. The committee certainly does not intend for the present bill to create a precedent. However, Admiral Rickover's situation is certainly very exceptional; and this additional recognition by the Congress and the country is singularly well deserved. Admiral Rickover has served in his position for an extended period and has served with great distinction.

The admiral has been many times honored. (A list of his awards and honorary degrees is included further on in this report.) However, the committee believes that the most appropriate honor for him is to achieve the highest rank in the military service to which he has given his life and to have that honor

bestowed on the initiative of the Congress of the United States.

Admiral Rickover was born on January 27, 1900, and graduated from the U.S. Naval Academy in 1922. He received an M.S. (Electrical Engineering) degree from Columbia University in 1929. In 1937 he was selected for "engineering duty only." He was assigned to nuclear-propulsion development in 1947 and since that year has been in charge of the Navy's nuclear ship propulsion program, now within the Naval Ships Systems Command. Since 1949 Admiral Rickover has been Director, Division of Naval Reactors, U.S. Atomic Energy Commission, in charge of the AEC's naval reactors program.

MILITARY MEDALS HELD BY ADMIRAL RICKOVER

Gold Star in lieu of a Second Distinguished Service Medal. (Awarded by the Secretary of the Navy)—February 13, 1964.

Navy Distinguished Service Medal, New London, Connecticut—January 17, 1961.

Gold Star in lieu of a Second Legion of Merit—July 7, 1952.

Legion of Merit, "For exceptionally meritorious conduct"—as Head of the Electrical Section of Bureau of Ships—February 7, 1946.

Letter of Commendation from War Department, with authorization to wear the Oak Leaf Cluster on his Commendation Ribbon—1946.

"For outstanding service in connection with the development of the Atomic Bomb" as Assistant Director of Operations, Manhattan District.

Letter of Commendation with authorization to wear the Commendation Ribbon from Commander in Chief, U.S. Pacific Fleet—1945.

China Service Medal—1937.

American Campaign Medal, American Defense Service Medal, Asiatic Victory Medal, National Defense Service Medal, Navy Occupation Service Medal, World War II Victory Medal, World War I Victory Medal.

Honorary Commander, of the Military Division of the Most Excellent Order of the British Empire—1946.

AWARDS PRESENTED TO ADMIRAL RICKOVER

Certificate of Distinguished Service, National Navy Club—1954.

ASME—George Westinghouse Gold Medal, American Society of Mechanical Engineers, Boston, Massachusetts—June 21, 1955.

Egleston Medal Award, Columbia Engineering School Alumni Association, Columbia University, New York, New York—April 28, 1955.

International Communication Award, "Christopher Columbus" for 1957, Genoa, Italy—October 12, 1957.

Meritorious Award, Navy League of the United States, San Francisco, California—May 2, 1958.

High School Teachers Education Award, High School Teachers Association of New York City (Presented at Rhodes School)—June 26 1958.

Citation, Quincy Chamber of Commerce, Quincy, Massachusetts—July 11, 1958.

Michael I. Pupin 100th Anniversary Medal, Columbia University Forum, New York, New York—October 23, 1958.

Theodore Roosevelt Distinguished Service Medal, Theodore Roosevelt Association, New York, New York—October 27, 1958.

Gold Medal of Honor, Army & Navy Union, U.S.A., Akron Ohio—November 10, 1958.

Bicentennial Science Award, City College Chemistry Alumni Association, New York, New York—December 29, 1958.

Golden Legion Award, Seashore Council of the American Legion, Atlantic City, New Jersey—January 24, 1959.

Special Gold Medal, United States Congress—April 15, 1959.

Gold Award of Merit and Citation, Veterans of Foreign Wars, (presented at Los Angeles, California)—September 13, 1959.

Electronics Institute Science Award Detroit, Michigan—September 12, 1959.

Meritorious Service Medal, National League of Masonic Clubs, New York, New York—October 9, 1969.

Golden Omega Award, National Conference on the Application of Electrical Insulation, Washington, D.C.—December 8, 1959.

Citation for Distinguished Public Service, American Bill of Rights Day Association, New York, New York—December 15, 1959.

Award for Notable Achievement Advertising Club of New York, New York, New York—December 30, 1959.

Award for Distinguished Achievement, Golden Slipper Square Club, Philadelphia, Pennsylvania—January 6, 1960.

Citation, The American Legion, Department of Illinois, Bloomington, Illinois—January 26, 1960.

Wendel L. Willkie Award, Willkie Foundation for Leadership, Indiana University, Bloomington, Indiana—March 20, 1960.

Gold Medal for Distinguished Achievement, Holland Society of New York, New York, New York—October 28, 1960.

Patriotism Award, University of Notre Dame, Notre Dame, Indiana—February 22, 1961.

Silver Helmet Defense Award, AMVETS, Washington, D.C.—March 31, 1962.

Freedom Award, The Order of Lafayette, New York, New York—December 3, 1962.

"Uncle Sam" Sesquicentennial Medallion, Schenectady, New York—December 21, 1962.

International Platform Association Award, (presented in Wash., D.C.—a silver bowl)—October 24, 1963.

Heart of the Year Award, American Heart Association, Inc., (presented at the White House)—January 30, 1964.

George Washington Honor Medal Award, Freedoms Foundation at Valley Forge, Valley Forge, Pennsylvania—April 13, 1964.

Christopher Columbus Award, Columbus, Ohio—October 10, 1964.

Enrico Fermi Award, Given by the U.S. Atomic Energy Commission, (Presented at White House by President)—January 14, 1965.

Prometheus Award, National Electrical Manufacturers Association, (Presented in Washington, D.C.)—November 9, 1965.

Gold Good Citizenship Medal, Sons of the American Revolution, (Presented at West Point)—April 30, 1966.

Franklin Award for Distinguished Service, Printing Industries of Metropolitan New York—January 16, 1967.

Membership, National Academy of Engineering—1967.

The Newcomen Medal, The Newcomen Society in N. America, at the Franklin Institute, Philadelphia, Pa.—January 16, 1969.

Honorary Membership, Western Society of Engineers, Chicago, Illinois 1970.

The Washington Award Medal, Western Society of Engineers, Chicago, Illinois—February 25, 1970.

Steuben Society of America, 5th "Steuben Society of America Award To An Outstanding American," New York, New York—May 23, 1970.

Honorary Naval Aviator, Washington, D.C.—July 21, 1970.

The General Leslie R. Groves Gold Medal Award, The American Ordnance Association, New York, New York—November 17, 1971.

Admiral H. G. Rickover Junior High School, Sauk Village, Illinois—1971.

HONORARY DEGREES OF ADMIRAL RICKOVER

Doctor of Laws—Honoris Causa, Syracuse University, Syracuse, New York—June 7, 1954.

Doctor of Science, Williams College, Williamstown, Massachusetts—June 13, 1954.

Doctor of Science—Honoris Causa, Colby College, Waterville, Maine—June 15, 1954.

Master of Science—Honorary Bradford Durfee Technical Institute, Fall River, Massachusetts—June 6, 1955.

Doctor of Engineering—Honoris Causa, Drexel Institute of Technology, Philadelphia, Pennsylvania—June 18, 1955.

Doctor of Engineering, Polytechnic Institute of Brooklyn, Brooklyn, New York—April 19, 1958.

Doctor of Science—Honoris Causa, Stevens Institute of Technology, Hoboken, New Jersey—June 14, 1958.

Doctor of Laws—Honoris Causa, Allegheny College, Meadville, Pennsylvania—June 8, 1959.

Doctor of Science—Honoris Causa, Columbia University, New York, New York—June 1, 1960.

Doctor of Science—Honorary, Georgetown University, Washington, D.C.—March 19, 1964.

Doctor of Laws (Honoris causa), University of Birmingham, Birmingham, England—July 16, 1965.

Doctor of Science, University of Denver, Denver, Colorado—June 11, 1969.

PUBLICATIONS OF ADMIRAL RICKOVER

(In addition to numerous articles)

Education and Freedom (1959), E. P. Dutton and Company.

Swiss Schools and Ours: Why Theirs Are Better (1962) Little, Brown and Company (under auspices Council for Basic Education).

American Education—A National Failure (1963), E. P. Dutton and Company.

Eminent Americans—Namesakes of the Polaris Submarine Fleet (1972), U.S. Government Printing Office.

Report on Russia (1959), Committee on Appropriations, House of Representatives.

Education for All Children: What We Can Learn From England (1962), Committee on Appropriations, House of Representatives.

FISCAL DATA

Enactment of this bill will result in no increase in the budgetary requirements of the Department of Defense.

DEVELOPMENTAL DATA

The Department of Defense reported favorably on the proposed legislation as is indicated in the following letter, which is hereby made a part of this report:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, D.C., April 30, 1973.

Hon. F. EDWARD HÉBERT,
Chairman, Committee on Armed Services, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Your request for comment on H.R. 1717 a bill to authorize the President to appoint Vice Adm. Hyman G. Rickover, U.S. Navy retired, to the grade of admiral on the retired list, has been assigned to this Department by the Secretary of Defense for the preparation of a report expressing the views of the Department of Defense.

The bill would authorize the President to appoint Vice Adm. Hyman G. Rickover (U.S. Navy retired) to the grade of admiral on the retired list with all the rights, privileges, benefits, pay and allowances provided by law for officers appointed to such grade.

As stated in the bill, Vice Adm. Rickover has made a vital contribution to our national defense and his assistance in the development of nuclear submarines has been invaluable.

In view of the foregoing the Department of the Navy, on behalf of the Department of Defense, strongly recommends enactment of this legislation.

The Office of Management and Budget advises that, there is no objection to the presentation of this report on H.R. 1717 for the consideration of the committee.

Sincerely yours,

JOHN W. WARNER,
Secretary of the Navy.

COMMITTEE POSITION

The Committee on Armed Services, on June 14, 1973, a quorum being present, ap-

proved the bill and recommends its enactment.

SUMMARY

The purpose of H.R. 1717 is to authorize the President to appoint Vice Adm. Hyman G. Rickover, USN, retired, to the grade of admiral on the retired list.

FISCAL DATA

There will be no increase in budgetary requirements of the Department of Defense as a result of enactment of the bill.

COMMITTEE POSITION

The Committee on Armed Services, on June 14, 1973, a quorum being present, recommended enactment of the bill without amendment.

H.R. 1717

An act to authorize the President to appoint Vice Admiral Hyman G. Rickover, United States Navy retired, to the grade of admiral on the retired list

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in recognition of Vice Admiral Hyman G. Rickover (United States Navy retired) to our national defense and in special recognition of his invaluable guidance, initiative, and perseverance in developing the nuclear submarine, the President is authorized to appoint the said Hyman G. Rickover to the grade of admiral on the retired list with all the rights, privileges, benefits, pay and allowances provided by law for officers appointed to such grade.

Mr. JACKSON. Mr. President, I do not think that there is any need to detain the Senate in an explanation of this measure. I think it is long past due. I would strongly urge that the Senate agree to the amendment.

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

Mr. JACKSON. I yield.

Mr. SYMINGTON. Mr. President, is it not customary for the President to send up nominations of this character?

Mr. JACKSON. That is true. However, may I say that Admiral Rickover's career has not been a normal one.

I recall in 1953 when the Navy passed him over for the second time as captain to be promoted to admiral. The first thing I did as a Member of the Senate, having come to the Senate in 1953, was to ask the chairman of the Senate Armed Services Committee, at that time former Senator Saltonstall, for an inquiry into the matter. The upshot of that inquiry was that the man who received Admiral Rickover's slot, for engineering duty only, was an officer in the Navy who had poohpoohed the whole idea of a nuclear submarine. He was promoted to admiral. As a matter of fact, this particular person had written a memorandum saying that it would take many, many years to get a nuclear submarine when, in fact, at that time—that is, at the time the promotion was up—the *Nautilus* had gone to sea.

The Navy selection system, as the Senator will recall, was sorely tested. And I pointed out that if that is the way the selection system worked, we had better have a new one.

I believe the history of Admiral Rickover's service to the Navy and to the country is such that it warrants this action. I think there is ample precedent for a move of this kind.

As the Senator knows, here is a man who would not have continued to render service, a man who did not need to. However, he has dedicated his life to the Navy. He is 73 years of age. He has suffered two or three heart attacks. He gives away all of his earnings from speeches and from writing. He is the most selfless man that I know of in the service of the Nation.

I feel very deeply that something of this kind is long past due. And the Congress constitutionally does have authority to act.

I know that the Senator from Missouri has been outspoken concerning the fact that Congress ought to exercise its own authority more often.

That is what we are doing here today, Mr. President. I think it is the right thing to do. I do not think that we should wait until it goes through the Pentagon for recommendation. The Navy has recommended this legislation and supports it. The House has already passed an act to accomplish this.

Mr. SYMINGTON. Let me say to my friend from Washington, as he remembers, I joined with him and with Representative Yates of Illinois at that time to block the retirement. If we had permitted his retirement, we would not have had his services over the years. I think that was a wise and constructive move, at that time.

Mr. JACKSON. Mr. President, the Senator from Missouri was most helpful at that time.

Mr. SYMINGTON. I tried to be. This is a different situation. I am not saying I would vote against him at this time, but I am getting increasingly worried about the political operations of various admirals and generals.

We have a general in the White House now. I understand he is a fine and able man. I do not know him well. He went from colonel to four-star general in 4 short years after becoming associated with the White House.

Does not the Senator believe, instead of Congress taking over the promotion list, this nomination should be sent up by the President and passed upon by the Armed Services Committee? Should it not be handled in that manner?

Mr. JACKSON. Mr. President, I mentioned this before in the Armed Services Committee. I said that I was going to offer it on the floor, that I did not want to take up the time of the committee. I did mention it before and said that I would offer it as an amendment on the bill.

Mr. SYMINGTON. Mr. President, under normal circumstances it ought to be taken up in the regular fashion. His name ought to be sent up by the executive branch instead of being handled in this manner. I want the Senator from Washington to know how I feel about this nomination.

Mr. JACKSON. I fully understand. However, I point out that the executive branch failed to send up his name in 1953 until after we had made our views up here in Congress unmistakably clear. If we had not acted at that time, we would have lost his valuable service to the Nation over the past 20 years.

Mr. President, I am happy to yield to the distinguished senior Senator from Rhode Island.

Mr. PASTORE. Mr. President, I certainly want to associate myself with the remarks of the distinguished Senator from Washington.

I have a very sentimental attachment for what we are doing here today.

In my humble opinion, to know Admiral Rickover is to not only respect him, but also to admire him.

Admiral Rickover is now in the twilight years of his life. He has already been extended beyond his retirement time two or three times. He has acceded to the request of the Government to continue in the position he now occupies.

Admiral Rickover is the father of our nuclear Navy. Our nuclear Navy, and especially our underwater Navy, is the first line of defense of our Nation. Here is a man who has given his entire life to his country. In my opinion he exemplifies what a great American should be.

He was poor. He comes from a very poor beginning. He is still very poor, because his ambition in life has not been to accumulate wealth, but to serve his country. And that he has done every waking moment of his life. He is a member of the U.S. Navy and is serving his country.

There is no accolade we can give to this man beyond the fact that at this time in life he be given his four stars. How long he will be able to enjoy them, none of us know. However, the fact remains that this should be the crowning jewel in his career.

Here is a man who, because of his religion, regardless of his outstanding performance in the service of his country, has been buffeted around. Here is a man for whom we should stand up and say, "We pat you on the back for what you have done. We love you as a great American, and we love you as an individual. You ought to have the four stars."

Mr. JACKSON. Mr. President, I wish to say that that is a beautiful statement.

I would add that Admiral Rickover's career is a Horatio Alger story.

Mr. PASTORE. It is the story of America.

Mr. JACKSON. The Senator is correct. Admiral Rickover came to the United States from an area of Poland that is now part of Russia at a time when he was 4 years old. His father worked at the tailor's bench until he was 84 years of age.

Mr. PASTORE. That is part of the reason that I have a sentimental attachment for him. My father was a tailor, too.

Mr. JACKSON. That is why I mentioned it.

Mr. President, I yield now to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise to support the amendment of the distinguished Senator from Washington.

I would feel honored if the Senator from Washington would see fit to add my name as a cosponsor of his amendment.

Mr. JACKSON. Mr. President, I ask unanimous consent that the names of the Senator from South Carolina (Mr.

THURMOND), the Senator from Rhode Island (Mr. PASTORE), the Senator from Vermont (Mr. AIKEN), and the Senator from Texas (Mr. TOWER) be listed as cosponsors of my amendment.

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

Mr. THURMOND. Mr. President, normally I would not favor this procedure. It is customary for the President of the United States to send down to the Senate nominations for promotion in the armed services. It is customary for the armed services to consider these recommendations for promotion, and then to act thereon, and after they act the matter comes to the Senate.

However, this is such an unusual case that I favor taking action at this time. I do not know of a man in the armed services today for whom I would favor suspending all these procedures in the matter of promotion except Admiral Rickover.

Mr. President, I say that because Admiral Rickover, in my judgment, is the greatest nuclear expert in the world. I know of no one anywhere, in any country, who is as knowledgeable on nuclear matters as is Admiral Rickover. I know of no one anywhere who has rendered as much service to his country in supporting the armed services and a strong defense program and in promoting nuclear submarines and nuclear ships as Admiral Rickover. In my judgment, he is a superb man.

In my judgment, we are fortunate to have this gentleman, who was born in another country, who has come here and worked his way up and, because he did not follow tradition exactly, maybe, at times, he was neglected and, as someone said, he was kicked about. But this gentleman has risen and risen in the esteem of the Members of Congress and of the American people. He has done that because he has proved that he possesses the qualities that make great men.

What are those qualities? First of all is character. Admiral Rickover has an unblemished character. He has been through the fire, so to speak. He has proven that he can be stable and sound under all conditions, even though he has had almost to go up against the wall at times.

Next, Mr. President, Admiral Rickover has shown tremendous courage in what he has done. He has had to go against his superiors. His superiors, in many cases, did not have the vision and foresight he had, and therefore he had to oppose them in what he was doing for the good of the American people, to keep America first and foremost in the nuclear field in the world.

Then, Mr. President, his great capacity has been demonstrated by his work. I have talked with this man. I have worked with this man. I have never known a man more dedicated to his cause and to helping the people as a whole.

I remember some years ago I read an article by him on education. I did not know him too well then. I was so impressed that I wrote him a letter and got in touch with him, and I was amazed at the knowledge this man had in educational matters. He was pointing out that the Soviet Union was getting ahead of the United States in the matter of training scientists and skilled people.

He was pointing out that America was not going forward like the Soviet Union in training scientists and engineers, and the people we needed to keep this country ahead from a military and scientific standpoint.

Mr. President, I do not know of any other man I have ever met who has impressed me more with his dedication, with his character, with his capacity, or with his courage. Above all, he is a gentleman. I have never known a man who is more courageous or more humble. When you are around Admiral Rickover, he is so humble that he appears as if he wanted to be a servant; and that is truly what he wants to be. He wants to be a servant of this country and of his people. This man possesses the attributes of a gentleman in every sense of the word. He is a great man, an able admiral, and an outstanding citizen, and in my judgment we will do honor to a person who eminently deserves to be honored if Congress sees fit to promote him to four star rank. I am pleased to join in this action, and to join as a cosponsor of the amendment.

Mr. THURMOND subsequently said: Mr. President, this morning I joined Senator JACKSON to sponsor an amendment to the military procurement authorization bill to promote Vice Adm. Hyman George Rickover to four star, full admiral.

In support of my previous remarks today to recommend Admiral Rickover for promotion in recognition of his unparallelled achievements, it is appropriate to insert in the CONGRESSIONAL RECORD a complete biography of Admiral Rickover's distinguished service to our Nation and a record of his outstanding accomplishments.

Mr. President, I ask unanimous consent for the biography of Admiral Rickover to be printed in the CONGRESSIONAL RECORD at the conclusion of my previous remarks.

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

VICE ADM. HYMAN GEORGE RICKOVER, U.S.N.

Vice Admiral H. G. Rickover is considered by many to be the outstanding naval engineer of this century.

He graduated from the Naval Academy on June 2, 1922. In 1929 he received the degree of Master of Science in Electrical Engineering from Columbia University. He served many tours of sea duty as a general line officer before being designated for Engineering Duty in 1937. These sea tours included, among others, qualification to command submarines, duty as Engineer Officer of the battleship *New Mexico*, and command of the USS *Finch* on the Asiatic station.

In June 1939 he was assigned to the Bureau of Ships in Washington where he remained throughout the greater part of World War II as head of the Electrical Section of the Bureau of Ships. The Navy awarded him the Legion of Merit for his outstanding work:

"Overcoming tremendous procurement difficulties created by shortages in materials, manpower and manufacturing facilities at a time when an unprecedented increase in production of electrical equipment was required to meet the needs of our rapidly expanding Navy, Captain Rickover rendered invaluable service in obtaining competent engineers to man the Electrical Section, in determining the raw materials required, in scheduling and expediting production and in providing adequate manufacturing facilities for all electric power and lighting equipment necessary for the Navy's shipbuilding and maintenance program. Working with foresight and ability, he brought about continual improvements in electrical equipment to meet the developing and expanding needs of modern naval warfare, thereby contributing to the increased military effectiveness of the vessels of the fleet and to the successful prosecution of the war."

The British considered his work "of the very greatest value to the Admiralty" and made him an Honorary Commander of the Military Division of the Most Excellent Order of the British Empire.

In 1946 then Captain Rickover was assigned to the Manhattan Project at Oak Ridge, Tennessee to learn the nuclear technology which had been developed to that time and to determine what steps would be necessary to develop nuclear propulsion for naval ships. He has been the man in charge of the naval nuclear propulsion program ever since. For the first five years of his work in nuclear propulsion for the Navy, the Secretary of the Navy, in July 1952, presented him with a Gold Star in lieu of a Second Legion of Merit:

"Displaying exceptional talents in the field of Mobile Power Reactors and exercising unceasing drive and energy, Captain Rickover more than any other individual, is responsible for the rapid development of the nuclear ship program. He has held tenaciously to a single important goal through discouraging frustration and opposition and has consistently advanced the submarine thermal reactor well beyond all expectations; his efforts have led to the laying of the keel of the world's first nuclear powered ship well in advance of its original schedule. His careful and accurate planning, his technical knowledge and his ability to clarify and resolve problems arising between the Atomic Energy Commission, the Bureau of Ships and civilian contractors, have proven a contribution of inestimable value to the country's security and reflect great credit upon Captain Rickover and the United States Naval Service."

In addition to his contributions to the development of the nuclear Navy, Admiral Rickover also led the scientific, technical and industrial team which developed and constructed the Shippingport Pressurized Water Reactor (PWR) at Shippingport, Pennsylvania, the first nuclear powered electric utility central station in the United States. The Shippingport project was first authorized in July 1953. Official ground breaking took place September 6, 1954, when President Eisenhower closed an electrical circuit in Denver which started an unmanned bulldozer at the Shippingport site. The station achieved initial criticality on December 2, 1957, exactly 15 years after the initial chain reaction achieved by Enrico Fermi in Chicago. On December 18, 1957, the Shippingport Atomic Power Station began supplying electricity to the Duquesne Light Company, serving the Greater Pittsburgh, Pennsylvania area.

The technology developed under Admiral Rickover's leadership in the Shippingport Program has provided most of the basic technology upon which the present day nuclear power program in the United States is founded. Admiral Rickover is currently in charge of the development of an advanced core for the Shippingport plant called the Light Water Breeder Reactor (LWBR). This reactor core which will be installed in 1975 is expected to demonstrate breeding of more new fuel than is burned during operation of the reactor core. This core uses the thorium-uranium-233 fuel system. Since the LWBR concept is based on the proved technology of the pressurized light water system, it is the

only reactor system that promises significant improvement in fuel utilization while being devoid of many of the technical problems that must be solved to obtain high fuel utilization using other systems.

On August 28, 1958, the President approved a Joint Congressional Resolution to award Admiral Rickover a Gold Medal in recognition of his achievements "in successfully directing the development and construction of the world's first nuclear-powered ships and the first large-scale nuclear powered reactor devoted exclusively to production of electricity." He was promoted to the rank of Vice Admiral to rank from October 24, 1958.

Six years after the USS Nautilus first signaled "Underway on nuclear power," the Secretary of the Navy presented the Distinguished Service Medal to Admiral Rickover:

"For exceptionally meritorious service to the government of the United States from 17 January 1955 to 17 January 1961, while in charge of the Naval Nuclear Propulsion Program in the Department of the Navy and in the United States Atomic Energy Commission. Through Vice Admiral Rickover's skillful technical direction, unusual foresight, and unswerving preseverance, the United States has attained preeminence in the field of naval nuclear propulsion. His vision in the training of the crews of our nuclear-powered ships, and his insistence on high engineering standards are influencing those who bear a responsibility in preparing the Navy and the Nation for the demanding and exacting trials of the nuclear and missile age. As a result of his untiring and relentless efforts, nuclear propulsion has provided us with the foundation of the new Navy—nuclear-powered submarines which have revolutionized naval offensive and defensive tactics and nuclear-powered surface ships, free to go anywhere at anytime. Nuclear propulsion, developed under his astute leadership, will take its place in history as one of the key developments profoundly affecting all the navies of the world. In addition to his major effort in the nuclear propulsion field, Vice Admiral Rickover has made other important contributions in the field of naval engineering and has always been a source of wise counsel in matters affecting both the Navy and national interest. His distinguished and inspiring accomplishments reflect the highest credit upon himself and the United States Naval Service."

On February 13, 1964, President Johnson presented Vice Admiral Rickover with a Gold Star in lieu of a second Distinguished Service Medal. The citation reads as follows:

"For exceptionally meritorius service to the Government of the United States in positions of great responsibility as Manager, Naval Reactors, Division of Reactor Development, U.S. Atomic Energy Commission, and as Assistant Chief of the Bureau of Ships for Nuclear Propulsion from January 1961 to January 1964. During this period, Vice Admiral Rickover exercised dynamic leadership and outstanding professional competence in assuring the continuing contributions of a major element in our national capability to deter aggression. He skillfully directed the efforts of his staff toward the cooperative development of the Polaris weapons system to the present advanced state, with sixteen Polaris submarines now in active service and twenty-five more under construction. In addition, during this period, the nuclear-powered surface ships, Enterprise, Long Beach, and Bainbridge, joined the Fleet. These ships, each of a different combatant type, are establishing high standards for the new fleet of combatant surface ships to follow. Under Vice Admiral Rickover's leadership, the cost of United States naval nuclear propulsion plants has been lowered, reactor core life has been increased, and significant improvements in simplicity and dependability have been achieved. His contributions in the field of civilian reactors have been important factors in the continued development of these units. He has exerted considerable influence on the industrial community in general with his keen insight and discerning comments on quality control and product reliability. Vice Admiral Rickover's distinguished and dedicated service reflects the highest credit upon himself and the United States Naval Service."

In November 1964 the Atomic Energy Commission announced that they had selected Admiral Rickover as recipient of the Enrico Fermi Award for 1964 in recognition of his outstanding engineering and administrative leadership in the development of safe and reliable nuclear power and its successful application to our national security and economic needs. The award consists of a gold medal, a citation, and $25,000.

Admiral Rickover was the first engineer-administrator and the eighth person to receive the award, named for the late Enrico Fermi, leader of the group of scientists who achieved the first sustained, controlled nuclear chain reaction on December 2, 1942, at Stagg Field, Chicago.

The selection of Admiral Rickover for the award was made by the Commission after consideration of recommendations from its statutory General Advisory Committee.

President Johnson, in presenting the Fermi Award to Admiral Rickover on January 14, 1965, made the following remarks:

"Admiral Rickover, it is a gratifying pleasure to participate in this ceremony recognizing your contributions to our Nation's security—and to our peaceful economic growth in the future.

"The citation of this eighth Enrico Fermi Award states:

"For engineering and administrative leadership in the development of safe and reliable nuclear power and its successful application to our national security and economic needs.'

"In just three days, we shall be celebrating the tenth anniversary of the first sea voyage of a nuclear-powered submarine—the Nautilus. The Nation is grateful for your courageous and dedicated role in that historic development.

"Over the ten years since, the Nautilus has been joined by more than 50 other nuclear-powered naval vessels. Today our nuclear fleet numbers 22 attack submarines, 29 Polaris submarines, and 3 surface ships. Together these nuclear-powered vessels have traveled a total of more than 4,300,000 miles on patrol for peace and freedom.

"Your personal leadership has made an invaluable contribution to our national security—and to our capacity for keeping the peace.

"Your personal dedication to excellence—your personal faith in the future—offer examples which this nation must emulate if we are to fulfill the potential that is ours.

"In no field is the promise—and the challenge—more exciting than the peaceful potential of nuclear power.

"Beyond the present naval applications, perhaps there may be much broader horizons for nuclear power on the high seas. I hope the day will come when nuclear power will be so economical for our merchant ships that the American Maritime Fleet will once again become preeminent—with a new generation of swift long range nuclear-powered vessels.

"You were instrumental in the construction of the world's first large nuclear generating station at Shippingport, Pennsylvania, in 1957. From that beginning, we are now able to foresee the day—only 15 years away—when we shall have some 70 million kilowatts of installed capacity from nuclear power generation stations.

"I look forward to the day when this great energy resource can be applied to desalting the sea, assuring us the additional fresh water needed for our growing population and expanding industries. In these important years you have played a role of first importance in helping us to understand and use more rationally the great force of nuclear energy. It is often overlooked that your many accomplishments and contributions have been made while in the service of your Government. Your achievements and your career should stand as an example to the many present and future Government personnel that there is a large job that can be done—and that a job well done is recognized.

"For these significant contributions to our national security and growth, I am privileged to present to you—on behalf of the Atomic Energy Commission and the people of the United States—the Enrico Fermi Award for 1964."

As of September 1973 there are 41 Polaris/Poseidon ballistic missile type nuclear submarines, 60 attack type nuclear submarines, one deep submergence nuclear-powered research vehicle, one nuclear aircraft carrier, one nuclear cruiser, and two nuclear frigates in operation. These ships have steamed over 24 million miles. In addition 23 more attack type nuclear submarines, two nuclear aircraft carriers and five nuclear frigates are under construction. Over 30,000 officers and men have or are being trained to operate the nuclear propulsion plants of our nuclear submarine and surface warships.

PUBLICATIONS

For more than a decade, Admiral Rickover has spoken and written on the need for educational reform. He has published several comparative studies. His first book, Education and Freedom (E. P. Dutton and Company, New York 1959) contained notes on Dutch and Russian education in its annex. After his visit to Russia as a member of Vice President Nixon's party (July 1959), he was asked by the Committee on Appropriations of the House of Representatives to testify on Russia; published as Report on Russia, his comments deal largely with Russian education. The entire report was incorporated in the paperback edition of Education and Freedom in 1960 (E. P. Dutton and Company). His study of Swiss education appeared under the title Swiss Schools and Ours: Why Theirs Are Better, as a Council for Basic Education book (Atlantic Monthly Press, Little, Brown and Company, Boston, 1962). On September 3, 1962, a report on English education which he made in testimony before the same Congressional Committee was issued as a Government document under the title Education for All Children: What We Can Learn From England. This report was subsequently published in 1963 with considerable new material added as a book called American Education—a National Failure (E. P. Dutton and Company).

Admiral Rickover has made numerous speeches; many have later appeared as articles in popular and professional magazines; notably "The World of the Uneducated," "America Versus Russia: The Nature of the Contest," "National Goals," "Education in a Free Society," "The Individual in a Free Society," "The Never-Ending Challenge," "A Humanistic Technology," etc.

Early in 1966 Vice Admiral Rickover was invited to participate in the Royal National Foundation's First Athens Meeting, an international cultural gathering held every other year in Athens, Greece. The object of the Athens Meeting is "to provide an opportunity for eminent contemporary thinkers from all over the world to express the human ideals and aspirations in the light of present knowledge and experience. Prominent representatives of the Arts, Sciences, Philosophy, Cults and other intellectual activities are invited to deliver their message by a talk." Admiral Rickover, as the United States representative, addressed the meeting on June 2, 1966, in the open on the Hill of the Phyx, and the title of his speech was "Liberty, Science and Law."

In 1972 the Government Printing Office published as House of Representatives Document Number 92-345, Eminent Americans—Namesakes of the Polaris Submarine Fleet. "Within the great sweep of American history fall the careers of those men for whom the 41 United States Polaris submarines have been named." This book, written by Admiral Rickover, uses the careers of these men as the focus for essays which are broad enough to include the significant events which occurred during their lifetimes. The careers of these men, who left a lasting imprint on the political, cultural, and military life of our Nation, span the full range of American history from the time of the Revolution to the present century. The 41 biographical essays reflect historical themes which have particular relevance for the kinds of problems our Nation faces today. These essays reveal "the amazing diversity of principles and ideals our forebears had to reconcile in building a Nation out of 13 suspicious and jealous colonies." The essays include studies on such great Americans as George Washington, John Adams, Thomas Jefferson, Abraham Lincoln, Woodrow Wilson, and many other famous Americans who have helped shape the course and destiny of our Nation.

DEGREES

Doctor of Laws—Honoris Causa, June 7, 1954, Syracuse University, Syracuse, New York.

Doctor of Science, June 13, 1954, Williams College, Williamstown, Massachusetts.

Doctor of Science—Honoris Causa, June 14, 1954, Colby College, Waterville, Maine.

Master of Science—Honorary, June 6, 1955, Bradford Durfee Technical Institute, Fall River, Massachusetts.

Doctor of Engineering—Honoris Causa, June 18, 1955, Drexel Institute of Technology, Philadelphia, Pennsylvania.

Doctor of Engineering, April 19, 1958, Polytechnic Institute of Brooklyn, Brooklyn, New York.

Doctor of Science—Honoris Causa, June 14, 1958, Stevens Institute of Technology, Hoboken, New Jersey.

Doctor of Laws—Honoris Causa, June 8, 1959, Allegheny College, Meadville, Pennsylvania.

Doctor of Science—Honoris Causa, June 1, 1960, Columbia University, New York, New York.

Doctor of Science—Honorary, March 19, 1964, Georgetown University, Washington, D.C.

Doctor of Laws—Honoris Causa, July 16, 1965, University of Birmingham, Birmingham, England.

Doctor of Science, June 11, 1969, University of Denver, Denver, Colorado.

AWARDS

Certificate of Distinguished Service, 1954, National Navy Club.

ASME—George Westinghouse Gold Medal, June 21, 1955, American Society of Mechanical Engineers, Boston, Massachusetts.

Egleston Medal Award, April 28, 1955, Columbia Engineering School Alumni Association, Columbia University, New York, New York.

International Communication Award, October 12, 1957, "Christopher Columbus" for 1957, Genoa, Italy.

Meritorious Award, May 2, 1958, Navy League of the United States, San Francisco, California.

High School Teachers Education Award, June 26, 1958, High School Teachers Association of New York City (presented at Rhodes School).

Citation, July 11, 1958, Quincy Chamber of Commerce, Quincy, Massachusetts.

Michael I. Pupin 100th Anniversary Medal, October 23, 1958, Columbia University Forum, New York, New York.

Theodore Roosevelt Distinguished Service Medal, October 27, 1958, Theodore Roosevelt Association, New York, New York.

Gold Medal of Honor, November 10, 1958, Army and Navy Union, U.S.A., Akron, Ohio.

Bicentennial Science Award, December 29, 1958, City College Chemistry Alumni Association, New York, New York.

Golden Legion Award, January 24, 1959, Seashore Council of the American Legion, Atlantic City, New Jersey.

Special Gold Medal, April 12, 1959, United States Congress.

Gold Award of Merit and Citation, September 3, 1959, Veterans of Foreign Wars (presented at Los Angeles, Calif.).

Electronics Institute Science Award, September 12, 1959, Detroit, Michigan.

Meritorious Service Medal, October 9, 1969, National League of Masonic Clubs, New York, New York.

Golden Omega Award, December 8, 1959, National Conference on the Application of Electrical Insulation, Washington, D.C.

Citation for Distinguished Public Service, December 15, 1959, American Bill of Rights Day Association, New York, New York.

Award for Notable Achievement, December 30, 1959, Advertising Club of New York, New York, N.Y.

Award for Distinguished Achievement, January 6, 1960, Golden Slipper Square Club, Philadelphia, Pennsylvania.

Citation, January 26, 1960, The American Legion, Dept. of Illinois, Bloomington, Illinois.

Wendel L. Willkie Award, March 20, 1960, Willkie Foundation for Leadership, Indiana University, Bloomington, Indiana.

Gold Medal for Distinguished Achievement, October 28, 1960, Holland Society of New York, New York, New York.

Patriotism Award, February 22, 1961, University of Notre Dame, Notre Dame, Indiana.

Silver Helmet Defense Award, March 31, 1962, AMVETS, Washington, D.C.

Freedom Award, December 3, 1962, The Order of Lafayette, New York, New York.

"Uncle Sam" Sesquicentennial Medallion, December 21, 1962, Schenectady, New York.

International Platform Association Award, October 24, 1963, (presented in Wash., D.C.—a silver bowl).

Heart of the Year Award, January 30, 1964, American Heart Association, Inc. (Presented at the White House).

George Washington Honor Medal Award, April 13, 1964, Freedoms Foundation at Valley Forge, Valley Forge, Pennsylvania.

Christopher Columbus Award, October 10, 1964, Columbus, Ohio.

Enrico Fermi Award, January 14, 1965, Given by the U.S. Atomic Energy Commission.
(Presented at White House by President).

Prometheus Award, November 9, 1965, National Electrical Manufacturers Association, (Presented in Washington, D.C.).

Gold Good Citizenship Medal, April 30, 1966, Sons of the American Revolution (Presented at West Point).

Franklin Award for Distinguished Service, January 16, 1967, Printing Industries of Metropolitan New York.

The Newcomen Medal, January 16, 1969, The Newcomen Society in N. America at the Franklin Institute, Philadelphia, Pa.

The Washington Award Medal, February 25, 1970, Western Society of Engineers, Chicago, Illinois.

Steuben Society of America, May 23, 1970, 5th "Steuben Society of America Award To An Outstanding American," New York, New York.

Honorary Naval Aviator, July 21, 1970, Washington, D.C.

The General Leslie R. Groves Gold Medal Award, November 17, 1971, The American Ordnance Association, New York, New York.

MISCELLANEOUS

Honorary Commander, 1946, of the Military Division, of the Most Excellent Order of the British Empire.

Admiral in the Texas Navy, September 22, 1964, State of Texas.

The Honorable Order of Kentucky Colonels, June 23, 1966, appointed as Aide-de-Camp with the rank of Colonel on the staff of Commander-in-Chief, Governor Edward T. Breathitt.

International Yachtsmen's Association Award, November 13, 1971.

MEMBERSHIP

The Newcomen Society in North America, 1969.

National Academy of Engineering, 1967.

Awards Committee, The Belle W. Baruch Foundation, 1966.

Honorary Membership, Western Society of Engineers, Chicago, Illinois, 1965.

MILITARY MEDALS

Gold Star in lieu of a Second Distinguished Service Medal, February 13, 1964, (Awarded by the Secretary of the Navy).

Navy Distinguished Service Medal, January 17, 1961, New London, Connecticut.

Gold Star in Lieu of a Second Legion of Merit, July 7, 1952.

Legion of Merit, February 7, 1946, "For exceptionally meritorious conduct—as Head of the Electrical Section of Bureau of Ships."

Letter of Commendation from War Department with authorization to wear the Oak Leaf Cluster on his Commendation Ribbon, 1946.

"For outstanding service in connection with the development of the Atomic Bomb as Assistant Director of Operations, Manhattan District.

Letter of Commendation, 1945, with authorization to wear the Commendation Ribbon from Commander in Chief, U.S. Pacific Fleet.

China Service Medal, American Campaign Medal, American Defense Service Medal, Asiatic-Victory Medal, National Defense Service Medal, Navy Occupation Service Medal, World War II Victory Medal, World War I Victory Medal, 1937.

Mr. SYMINGTON. Mr. President, I yield such time as he may require to the distinguished Senator from Vermont.

Mr. AIKEN. Mr. President, while I do not intend to indulge in rhetoric as have my colleagues in praising Admiral Rickover, I do want to agree with all they have said about him. I have known him for a long time and have had great admiration for his brilliance; and his brilliance is equaled only by his courage and determination, qualities which have sometimes got him into the doghouse.

I do not think the United States can ever adequately repay Admiral Rickover for what he has done for this country in developing the uses of atomic power. In fact, the nuclear submarine, for which he is responsible for the propulsion plant, has in my opinion been our first line of defense against another large-scale war.

Mr. President, that is all I have to say. I hope that the proposal to make him a four-star admiral will be approved by the Senate.

Mr. JACKSON. Mr. President, I wonder if we could have a vote on this matter now, unless more time is desired.

Mr. SYMINGTON. I yield back the remainder of my time.

Mr. JACKSON. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr.

HARTKE). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Washington.

The amendment was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SYMINGTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXTENSION OF SECTION 501

Mr. JACKSON. Mr. President, I call up an amendment which I have at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. —. Notwithstanding any other provision of law, the authority provided in section 501 of the Defense Procurement Act of 1970, Act of October 7, 1970, Public Law 91–441 (84 Stat. 909) is hereby extended until December 31, 1975.

Mr. JACKSON. Mr. President, I ask unanimous consent that the names of the Senator from Georgia (Mr. NUNN) and the Senator from Rhode Island (Mr. PASTORE) be listed as cosponsors of this amendment.

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

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield for a question?

Mr. JACKSON. I yield.

Mr. ROBERT C. BYRD. Does the Senator anticipate a roll call on this amendment?

Mr. JACKSON. No, I shall not ask for a roll call, and I will take only three minutes.

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

Mr. JACKSON. I yield.

Mr. SYMINGTON. This is simply an extension of the present law, is it not?

Mr. JACKSON. That is correct.

Mr. President, the amendment I am proposing is not only simple, it is even familiar. I offer it here today as I did on two earlier occasions, and for much the same reason.

The amendment extends the life of section 501 of Public Law 91–441 until December 31, 1975, since the existing authority will expire December 31 of this year.

Without this amendment, we face the very real possibility that the President will be left without the authority to extend much-needed military credits to Israel in a timely fashion and on the basis of interest rates the Israelis can afford.

Mr. President, I would remind my colleagues that the credits made available under section 501 of the Defense Procurement Act of 1970, as here amended, are to be extended at concessionary terms of interest—say 3 percent—not at cost-of-money terms as is sometimes the case under other authority. This is in recognition of the heavy burden of arms purchases from the United States borne by Israel these recent years.

It is essential, if the uninterrupted flow of equipment to Israel is to continue, that we move now to extend the life of the current authority granted under my amendment to the 1970 Defense Procurement Act.

Mr. President, I am confident that the Senate will extend the law it has so strongly supported and passed when I have offered it before. It was important then, as it is now, to the security of the United States and to the safety of its brave and trusted friend, Israel.

Mr. President, I would point out that this amendment was extended last year by a vote of 76 to 9.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of the amendment we extended last year—section 608 of Public Law 92–436.

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

SECTION 608, PUBLIC LAW 92–436, (SEPTEMBER 26, 1972)

SEC. 608. Notwithstanding any other provision of law, the authority provided in section 501 of Public Law 91–441 (84 Stat. 909) is hereby extended until December 31, 1973.

Mr. JACKSON. Mr. President, I reserve the remainder of my time.

Mr. SYMINGTON. Mr. President, I yield back my time.

Mr. JACKSON. I yield back my time.

The PRESIDING OFFICER (Mr. PELL). All time on the amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Washington (Mr. JACKSON).

The amendment was agreed to.

Mr. JACKSON. Mr. President, I now move to reconsider the vote by which the Senate adopted the amendment.

Mr. SYMINGTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRIBUTE TO SENATORS STENNIS AND SYMINGTON

Mr. NUNN. Mr. President, I want to take a moment or two, while we have an interlude here, to mention something about which I know there is no controversy.

During the past 4 days, we have had a whole lot of controversy on a whole lot of issues which are very important to this country. We have had a whole lot of well meaning people, well intentioned, well reasoned on every side participating, but one thing I think all of us can agree on in the Senate is that the floor manager of the pending bill, the acting chairman of the committee, the distinguished Senator from Missouri (Mr. SYMINGTON), has done a very fine job.

He has displayed, as manager of the bill, the forcefulness, the effectiveness, and the courtesy which are so typical of him and which so many people who have known him for a long time have always known were his qualities.

As a new member of the Armed Services Committee, I can tell the Senate that his performance here on the floor of the Senate has been a continuing demonstration of a talent, skill, and dedication which he has so admirably displayed during the absence of the chairman of the committee, the distinguished Senator from Mississippi (Mr. STENNIS).

Senator SYMINGTON took over this committee as acting chairman at a point in history where there was certainly an awful lot of controversy. He spent many, many long, dedicated and hard hours, that I know personally about, considering every aspect of the bill.

As a new member of the committee, I do not think that anyone has ever been treated with more kindness, courtesy, and consideration than I was by Senator SYMINGTON.

I know that all Senators join me in thanking him, as we near the conclusion of this bill, for a job well done.

Mr. President, I am sure that all Senators are delighted with the return of the distinguished Senator from Mississippi (Mr. STENNIS) to active duty in the Senate. He has always devoted his full energies to the business of the Senate and we are delighted to have him back.

Mr. President, I just wanted to make this a part of the record as to my feelings toward both Senators STENNIS and SYMINGTON, and especially to invite attention to the fact that Senator SYMINGTON has done such an excellent job in very difficult circumstances.

As one Member of the Senate, and one member of the Armed Services Committee, I am, indeed, very grateful.

Mr. SYMINGTON. Mr. President, I am very grateful for the remarks of the junior Senator from Georgia (Mr. NUNN).

In turn, it has been a privilege to work with him. He is already one of the true authorities in the Senate on the question of military personnel. He is able, intelligent, and hard working, and I predict a long and brilliant career for him in the Senate on behalf of the Nation and his State in the years to come.

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

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

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) 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.

Mr. DOLE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment of the Senator from Iowa (Mr. CLARK), which was to have been taken up at this time, be temporarily delayed, and that the Senator from Kansas be permitted to offer his amendment at this time.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a limitation of 10 minutes on the Dole amendment, the time to be equally divided.

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

The clerk will state the amendment.

The legislative clerk read as follows:

At the appropriate place in the bill it is proposed to add a new section as follows:

"SEC. . No funds authorized to be appropriated by this or any other Act shall be used directly or indirectly to provide aid, promote trade or cultural exchange, or undertake any other form of assistance or accommodation with the Democratic Republic of North Vietnam or the Provisional Revolutionary Government (Viet Cong) until such time as the President shall certify to the Congress in writing that said governments have fully complied with Chapter III, Article 8, paragraph (b) of the Agreement of January 27, 1973; Article 10 of the Protocol to the Agreement; and point 8(e) of the Joint Communique of June 13, 1973, all of which relate to facilitating the location and care of graves of the dead, exhumation, and repatriation of the remains as well as to obtaining information on those still considered missing in action; and in no event shall any such aid or assistance be made available unless the Congress has specifically authorized such aid or assistance by legislation enacted after the date of enactment of this section."

Mr. DOLE. Mr. President, let me state briefly the purpose of the amendment. It merely provides that no funds authorized in this bill or any other act be expended, directly or indirectly, to aid North Vietnam or the Vietcong until there has been an accurate, complete, and full accounting of the Americans still missing in action.

Mr. President, this amendment is intended to accomplish two purposes. First, it will clarify and underscore the intention of this Nation that North Vietnam and the Vietcong live up to their obligations under the agreements which ended U.S. involvement in the Vietnam war.

Second, it will serve to demonstrate to the wives, families, and friends of some 1,300 missing Americans that these men are not forgotten.

Eight months ago, yesterday, the Paris agreements were signed. Eight months ago, the North Vietnamese and Vietcong promised to permit us to undertake and assist us in efforts aimed at resolving the questions and uncertainties surrounding the Americans who are listed as missing in action throughout Southeast Asia.

For 8 months, the North Vietnamese have not only refused to cooperate in our efforts to assert our rights under these agreements, but they have obstructed and frustrated our efforts to do so. This has not been a matter of hardship for North Vietnam or the Vietcong. It has not been a matter of honest misunderstanding or confusion. Instead, it has been a course of deliberate, calculated, and cynical refusal to comply with the clear obligations of the agreements and to permit the exercise of our rights.

I do not know the motivation for this policy. Many years ago I gave up attempts at understanding conduct which is so alien to the most basic humanitarian principles and which appears to offer no hope for any conceivable gain or profit on the part of those who engage in it.

I do understand, however, the agony, the uncertainty, and the suffering of parents, wives, and children who long for any shread of evidence which might provide the basis for resolving the unknown fate of a son, a husband or a father. And I know that for 8 months these Americans have been waiting and anticipating something which was promised to them and the entire Nation by the North Vietnamese and the Vietcong. They were promised a chance to know what became of their men.

These people are not naive. They are not living on false hopes. They know that the passing of every day reduces the chances for survival for anyone listed as MIA. And even before January 27, many days had passed. But they want a chance to have some certainty in their lives. They want to be able to live in the present and look to the future. They want to be able to set their personal and legal affairs in order—on the basis of fact, not speculation or some arbitrary administrative action.

So, today, I offer this amendment to foreclose—to the maximum possible extent—any opportunity that North Vietnam or the Vietcong can expect any advantage or gain to flow from their violation and flouting of the Paris agreements. Not only does this amendment deny any American aid—either direct or indirect—but it assures that no funds will be used to promote trade, engage in cultural exchange programs or any other kind of accommodation which other nations might enjoy with the United States.

I do not believe it is asking too much of any nation or any political organization to abide by humanitarian obligations which it has clearly and unambiguously assumed in a formal agreement. For 8 months, Hanoi and the Vietcong have acted in the most blatant disregard of these obligations, and I believe it is far past time that Congress act to demonstrate its refusal to tolerate such conduct.

I offer this amendment in the hope that Congress will consider it an appropriate means of going on record to demand that the North Vietnamese and Vietcong provide the full accounting and opportunities for verification of the status of our missing men to which we are entitled by the Paris agreements.

I ask unanimous consent that the text of a full-page advertisement published in today's Washington Post be printed in the RECORD. This advertisement, an open letter to the President, was placed by VIVA, an organization which has been active in building public awareness of POW and MIA matters for many years. I believe it indicates the extreme frustration and torment being suffered by the parents, wives and families of these men. I certainly find no fault with nor criticize them for their anxiety or any expression of it.

But I do believe this advertisement serves to provide additional force to support adoption of this amendment. Hanoi and the Vietcong must be pressured relentlessly and continuously until they live up to their obligations, and every means of applying this pressure in Congress, in public opinion, and elsewhere must be utilized.

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

AN OPEN LETTER TO THE PRESIDENT

HON. RICHARD M. NIXON,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We would like to express our thanks publicly for the concern you have shown for the POW/MIA's and their families. We have not forgotten it under your administration the Defense Department reversed it policy and allowed POW/MIA families to discuss the plight of their men.

Once informed the American people joined in the largest and most dramatic display of brotherhood in our history to help men they had never met. This power of public opinion influenced the Communists to improve the treatment of our men, to which many returned POWs attribute their very lives.

Unfortunately, the Communists are still perpetrating a barbaric form of mental cruelty on almost 1200 POW/MIA families. This inhumanity may never be ended unless the American people are again informed and utilize the power of public opinion.

Many have said that all the POWs are home. Yet more than 50 men, who were known to be prisoners and are still officially listed as POWs by our Government, did not return home nor were they listed as dead by the Communists. Their capture was substantiated by evidence such as a letter written home, photos in captivity, propaganda broadcasts, etc.

Mr. and Mrs. Sparks have a letter from their son Don which says he is in fine health and has been held for ten months without seeing another prisoner. It is fair that because no returned prisoner saw Don that the responsibility now falls on Mr. and Mrs. Sparks to prove that Don is still alive in order to prevent our own Government spokesmen from saying, "All POWs are home and all MIAs are dead," thereby relieving the Communists from their obligation to account for Don and hundreds like him?

To presume that the Communists could possibly account for all MIAs is ludicrous, but to presume that it takes over seven months for them to account for men who were known to be captured is just as ludicrous. Would our outrage have been demonstrated more vocally if only 50 POWs had returned and 500 known POWs had not been accounted for?

We are aware of the ability, sincerity and dedication of our delegation to the Four Party Military Team responsible for handling the negotiations and the men of the Joint Casualty Resolution Center who seek to account for the missing. These men acknowledge there has been little success in

encouraging the Communists to live up to the Peace Agreement and that perhaps public awareness is the only weapon left. We have also been assured by Melvin Laird that the administration supports efforts to broaden public awareness of the failure of North Vietnam to comply with the Paris Agreement.

We can only assume, therefore, that it has not been brought to your attention that the Defense Department has been hindering the effective use of this weapon rather than supporting efforts to broaden public awareness.

This is evidenced by public statements such as the one made by Assistant Secretary of Defense William T. Clements who labeled everyone who distributes bracelets and bumper stickers "charlatans". It is also evidenced by the fact that a spokesman for the Department of Defense uses every possible opportunity to urge returned POWs, POW/MIA family members, and concerned citizens to refrain from making public statements on the issue and leave it to the government "experts" lest they harm the negotiations in progress.

Such actions negate the efforts toward awakening public awareness and are completely contrary to the statements of Mr. Laird's and those actually involved in the negotiations.

Although only the Communists know whether any of them are still alive, all POWs did not return home, nor were they accounted for.

Please, Mr. President, don't allow anyone in our government to render less effective the only weapon the POW/MIA families may have left—that of public opinion.

Please grant representatives of the national organizations directly involved with this issue a meeting to clarify these discrepancies in order that your pledge of support to the POW/MIA families be fulfilled.

Sincerely,

NATIONAL BOARD OF DIRECTORS VIVA—VOICES IN VITAL AMERICA.

Mr. DOLE. Mr. President, I have discussed this amendment with the distinguished Senator from Missouri and the distinguished Senator from South Carolina. We have made one change in the amendment, after conferring with the distinguished senior Senator from Virginia (Mr. HARRY F. BYRD, JR.), and it is my understanding that the committee is willing to accept the amendment.

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

Mr. DOLE. I yield.

Mr. SYMINGTON. Mr. President, the able Senator from Kansas and I discussed the amendment yesterday. This is a subject in which the distinguished senior Senator from Virginia has been interested. Portions of the language were changed with the approval of the Senator from Kansas. As a result, we on this side of the aisle have no objection.

Mr. THURMOND. Mr. President, we on this side of the aisle are willing to accept the amendment. We think it is a good amendment, because it ought to give leverage to the President to get the North Vietnamese and the Vietcong to live up to their agreement. If it does this, it certainly will be worthwhile. We are all anxious, of course, to locate the missing in action and to get those back who are still living. We think this amendment will be helpful in that respect.

I commend the able Senator from Kansas for offering the amendment.

Mr. DOLE. Mr. President, I yield back the remainder of my time.

Mr. SYMINGTON. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

The amendment was agreed to.

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

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

AMENDMENT NO. 552 (AS MODIFIED)

Mr. GOLDWATER. Mr. President, I call up my amendment No. 552, as modified.

The PRESIDING OFFICER. The amendment, as modified, will be stated.

Mr. GOLDWATER. Mr. President, I might say to the assistant majority leader that this matter will take only a few minutes. I hope the acting chairman will accept the amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment by Mr. CLARK, which was to be called up at this time under the order, be temporarily delayed, that the distinguished Senator from Arizona (Mr. GOLDWATER) may be permitted to call up his amendment, and that there be a time limitation thereon of 10 minutes, to be equally divided in accordance with the usual form.

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

The amendment, as modified, will be stated.

The second assistant legislative clerk proceeded to read the amendment.

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

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, as modified, is as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. (a) Title 10, United States Code, is amended by adding the following new section at the end of chapter 101:

"§ 2004. Detail of commissioned officers of the military departments as students at law schools

"(a) The Secretary of each military department may, under regulations prescribed by the Secretary of Defense, detail commissioned officers of the armed forces as students at accredited law schools, located in the United States, for a period of training leading to the degree of bachelor of laws or juris doctor. No more than twenty-five officers from each military department may commence such training in any single fiscal year.

"(b) To be eligible for detail under subsection (a), an officer must be a citizen of the United States and must—

"(1) have served on active duty for a period of not less than two years nor more than six years and be in the pay grade O–3 or below as of the time the training is to begin; and

"(2) sign an agreement that unless sooner separated he will—

"(A) complete the educational course of legal training;

"(B) accept transfer or detail as a judge advocate or law specialist within the department concerned when his legal training is completed; and

"(C) agree to serve on active duty following completion or other termination of training for a period of two years for each year or part thereof of his legal training under subsection (a).

"(c) Officers detailed for legal training under subsection (a) shall be selected on a competitive basis by the Secretary of the military department concerned, under regulations prescribed by the Secretary of Defense. Any service obligation incurred by an officer under an agreement entered into under subsection (b) shall be in addition to any service obligation incurred by any such officer under any other provision of law or agreement.

"(d) Expenses incident to the detail of officers under this section shall be paid from any funds appropriated for the military department concerned.

"(e) An officer who, under regulations prescribed by the Secretary of Defense, is dropped from the program of legal training authorized by subsection (a) for deficiency in conduct or studies, or for other reasons, may be required to perform active duty in an appropriate military capacity in accordance with the active duty obligation imposed by regulations issued by the Secretary of Defense, except that in no case shall any such member be required to serve on active duty for any period in excess of one year for each year or part thereof he participated in the program.

"(f) No agreement detailing any officer of the armed forces to an accredited law school may be entered into during any period that the President is authorized by law to induct persons into the armed forces involuntarily. Nothing in this subsection shall affect any agreement entered into during any period when the President is not authorized by law to so induct persons into the armed forces."

(b) The table of contents of chapter 101 of title 10, United States Code, is amended by adding the following new item at the end thereof:

"2004. Detail of commissioned officers of the military departments as students at laws schools.".

Mr. GOLDWATER. Mr. President, the amendment which I offered will allow the military services to send regular line officers to law school. The need for this legislation is unquestionable. The Armed Forces must have a basic source of career military lawyers to draw upon now that the compulsory draft has ended. At the same time the legal workload of the judge advocates of the military services is peaking as a result of their new responsibilities under the Uniformed Military Justice Act of 1968, the ratio of career officers in the JAG Corps is substantially declining. For example, the Army JAG Corps presently has a total authorized strength of 1,560, but of that number only 431 officers are in the career force. The corps is actually short 53 percent of its authorized field grade officers. Similar problems exist in the other military services.

Mr. President, my amendment is straightforward and is aimed at helping to solve the legal mission problem of the

Armed Forces over the long run. Under its provisions, regular line officers with 2 to 6 years of service can be detailed to law school in any year the draft is not in effect. It is that simple. The amendment puts an overall ceiling on each of the services of 25 officers who could enter the program in any one year. To be eligible for participation in the program, an officer selected would have to be serving in a grade not above lieutenant in the Navy or captain in the Army, Air Force, or Marine Corps.

For each year of training received, the bill provides that the officer would be obligated to serve a minimum of 2 years in legal duties in his military service. The service obligation incurred by any officer under this program would be in addition to any obligation he has already incurred. The total program would cost no more than $450,000 a year when fully operative, if it is used to the maximum. This is a DOD estimate and I think the true cost is actually lower because many of the people detailed to this program may be ones who would have been chosen for advanced studies in other fields.

Mr. President, there would be no need for this amendment except that Congress has routinely placed a legislative rider on defense appropriations preventing the use of defense funds for training in any legal profession. This rider has been overlooked with time and has become outmoded in a volunteer military and in a period of history when the legal mission of all the Armed Forces has multiplied tremendously.

Mr. President, if I might draw upon one legal shop with which I am personally familiar, I can verify the great current workload of military lawyers in the JAG Corps. During the fiscal year ending June 1972, the Judge Advocate lawyers of the Department of Law at West Point prepared approximately 300 written legal opinions, processed nearly 500 military justice cases brought before the U.S. magistrate's court, provided legal assistance in 5,900 cases involving such matters as adoption, citizenship, civil rights, domestic relations, powers of attorney, and wills and estates, and acted as counsel in more than 1,200 claims cases and 250 procurement law matters. You can multiply this workload servicewide through all the services and get an idea of what the legal work of the military really is.

Workloads of this size and the elimination of the military draft were simply not foreseen back in 1953 when the first legislative rider was passed, and I think it is high time that Congress endorses a new policy by authorizing a program along the lines of the one which I am proposing.

My amendment is no panacea. It is not meant in any way to impede the continued operation of the present leave program by which a few young officers who can afford it attend law school at their own expense and without pay. It is not a substitute for proficiency pay legislation, which I have cosponsored. But it does make a start at providing a source of military lawyers who will be service-motivated and likely to remain with their service as career legal officers. The lawyers coming out of this program would provide the military services with the kind of experienced and balanced officer structure which is necessary to the success of the Armed Forces legal missions.

Mr. President, the amendment is based on S. 1518, which I introduced on April 10, and I understand that the Department of Defense supports my proposal.

I ask the acting chairman if he will accept this amendment. It has been cleared with the staff. They know of it and the need for it.

Mr. THURMOND. I yield myself such time as I may require.

Mr. President, I have read the amendment, and it appears to have considerable merit. The services have had trouble securing doctors, dentists and lawyers, and this amendment would enable the services to send some individuals to law school. The amendment provides that they will serve at least 2 years for each year or part thereof that the legal training requires. This will give some stability to the Judge Advocate General's Corps.

The amendment also provides that the individuals will be selected on a competitive basis, which is the proper way to do it. Since they will be selected on merit, no one can say that the service is just choosing someone to send to law school. We are in favor of the amendment.

Mr. SYMINGTON. Mr. President, there probably is great merit in this amendment, but it could be handled in separate legislation. It might be discussed in the committee itself. We have taken many amendments on this floor.

I would hope that the able Senator from Arizona would give consideration to that suggestion, not just ask to have it passed by voice vote on the floor prior to the completion of the bill.

Mr. GOLDWATER. Mr. President, this matter was discussed in committee—not this particular measure; it was not ready at that time.

All the amendment does is to make clear that we can do what we have been doing. The Appropriations Committee, in the past, long years past, placed a rider on appropriations which prevent money authorized and appropriated by this bill to be used for educational purposes. But it has been done. We do it every year. I just wanted to make it legal; and I see no reason why it should not be done on the floor, instead of waiting until next year, when we can hold hearings on it again.

I hope the committee will accept the amendment. It is not a backbreaking item so far as money is concerned. It would simply allow the services to start being able to take care of their JAG duties. They are at a great disadvantage today. In fact, consideration is even being given to hiring civilian lawyers to do JAG work, they are so short.

Mr. SYMINGTON. Mr. President, the Senator did not speak to me about the amendment, to the best of my recollection.

Is money involved in the amendment?

Mr. GOLDWATER. It will not cost more than $450,000 a year, and probably less, because it will relieve the funds that are now being used for this and other special training purposes to go to this purpose.

Mr. SYMINGTON. If the able Senator from Arizona would agree, I would postpone consideration of the amendment at this time, in order to discuss it with the staff, with the assurance to the Senator it will be taken up again today.

Mr. GOLDWATER. I will do anything the Senator wishes. The staff is aware of it. They suggested three changes in the amendment, which I have made. But I would hope we could get a vote on it today, or an acceptance of it today.

Mr. SYMINGTON. Mr. President, I assure the Senator we will get to the amendment today.

The PRESIDING OFFICER. Does the Senator ask that the amendment be withdrawn?

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GOLDWATER. Mr. President, what is the proper procedure?

Mr. SYMINGTON. Mr. President, I ask unanimous consent, with the approval of the distinguished Senator from Arizona, that we postpone consideration of this amendment until later today, when it will be called up.

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

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. SYMINGTON. 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. SYMINGTON. Mr. President, I wish to ask the distinguished Senator from Arizona this question. Does he know what is the position of the Department of Defense?

Mr. GOLDWATER. The Department of Defense requested me to put in the amendment. The need for the request came from West Point. I am on the Board of Visitors there. They are doing a lot of the Army's legal work now, and they cannot handle it with the depleted staff they have. The request came from the Department of Defense.

Mr. SYMINGTON. The staff tells me we sent it over and received no comment. I appreciate the Senator advising us. We did not know.

Mr. GOLDWATER. I would not have put it in had not the Department of Defense asked me to do so.

Mr. SYMINGTON. 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. MONDALE. 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. MONDALE. Mr. President, on behalf of myself and the Senator from

South Carolina (Mr. THURMOND) I send an amendment to the desk and ask unanimous consent that reading of the amendment be dispensed with.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment by Mr. CLARK—which, under the order, was to be pending at this time—be temporarily laid aside until the disposition of the Federal pay adjustment resolution, and that the Senator from Minnesota (Mr. MONDALE) be permitted to call up his amendment at this time under a limitation of not to exceed 20 minutes, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will read the amendment.

The legislative clerk proceeded to read the amendment.

Mr. MONDALE. Mr. President, I ask unanimous consent to dispense with reading of the amendment.

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

The amendment is as follows:

On page 23, before line 25, insert the following:

"(c) Any regular officer of the Armed Forces discharged from service under authority of this section shall be entitled to severance pay in an amount equal to the amount such officer would be entitled to receive in readjustment pay under section 687 of title 10, United States Code, if he were a member of a reserve component of the Armed Forces being released from active duty involuntarily."

Mr. MONDALE. Mr. President, this amendment seeks to deal with an inequity which came to my attention following adoption of the amendment which was adopted the other day dealing with the grade creep problem, which amendment was designed to authorize the Department of Defense to retire Reserve and other Army officers in the best interests of the service. The inequity that came to my attention was that, under the best conditions of our bill, a Reserve officer would be given termination pay if severed from the service, but if a Regular officer were severed from the service he would not receive similar severance pay. This, in my opinion, would be unfair to such an officer and might also inhibit the services from making the kinds of judgments they would otherwise make in the best interest of the services.

The Senator from South Carolina (Mr. THURMOND) has reviewed this amendment, along with the distinguished floor manager, and has kindly agreed to serve as cosponsor of the amendment.

I might add, parenthetically, that I regret that there is not a similar program for severance pay for noncommissioned officers in the services. It does seem somewhat unfair to have severance pay for officers but not to have a similar program for noncommissioned officers, who are just as deserving and perhaps in some cases more needful of that help than others might be.

In any event, I believe this inequity needs correction. That being the purpose of my amendment, I would hope the committee might accept the amendment.

Mr. SYMINGTON. Mr. President, we on this side have studied the amendment, and will accept it.

Mr. THURMOND. Mr. President, we feel the amendment does correct an injustice. We are pleased to go along and accept the amendment.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. MONDALE. Mr. President, I yield back my time.

Mr. SYMINGTON. Mr. President, I yield back my time.

Mr. THURMOND. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the amendment.

The amendment was agreed to.

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. SYMINGTON. 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. SYMINGTON. Mr. President, with reference to amendment No. 552 of the able Senator from Arizona, we have a statement now from the Department of Defense, in which they state:

EFFECT OF THE AMENDMENT

The amendment will permit the Secretary of a Military Department to detail, on a competitive basis, a limited number of commissioned officers of the Armed Forces to studies at accredited law schools for a period of training leading to the award of a basic law degree and admission to the practice of law. No more than 25 officers per Military Department may commence such training in any fiscal year. To be eligible the officer must have completed at least two but not more than six years of active duty and must sign an agreement that he will serve as a judge advocate or law specialist for a specified period subsequent to successful completion of the training. This program of lawyer procurement would provide a hardcore source of career legal officers who have previously demonstrated their motivation and aptitude for a military career.

DOD POSITION

The Department of Defense strongly supports the enactment of this Amendment and believes it would materially assist in alleviating the present critical problems of grade imbalance and inexperience and the chronic problem of career retention in the military lawyer force.

Mr. President, I have discussed this amendment with my distinguished colleague the Senator from South Carolina (Mr. THURMOND), and we are prepared to accept the amendment on this side of the aisle.

Mr. THURMOND. Mr. President, we will be pleased to accept the amendment.

The PRESIDING OFFICER. Is the Senator from Missouri asking that the amendment be considered again at this time?

Mr. SYMINGTON. Mr. President, I am asking that the amendment be considered.

The PRESIDING OFFICER. Without objection, amendment No. 552, as modified, will be considered.

Amendment No. 552 (as modified) is as follows:

At the appropriate place in the bill insert a new section as follows:

SEC. . (a) Title 10, United States Code, is amended by adding the following new section at the end of chapter 101:

"§ 2004. Detail of commissioned officers of the military departments as students at law schools

"(a) The Secretary of each military department may, under regulations prescribed by the Secretary of Defense, detail commissioned officers of the armed forces as students at accredited law schools, located in the United States, for a period of training leading to the degree of bachelor of laws or juris doctor. No more than twenty-five officers from each military department may commence such training in any single fiscal year.

"(b) To be eligible for detail under subsection (a), an officer must be a citizen of the United States and must—

"(1) have served on active duty for a period of not less than two years nor more than six years and be in the pay grade O–3 or below as of the time the training is to begin; and

"(2) sign an agreement that unless sooner separated he will—

"(A) complete the educational course of legal training;

"(B) accept transfer or detail as a judge advocate or law specialist within the department concerned when his legal training is completed; and

"(C) agree to serve on active duty following completion or other termination of training for a period of two years for each year or part thereof of his legal training under subsection (a).

"(c) Officers detailed for legal training under subsection (a) shall be selected on a competitive basis by the Secretary of the military department concerned, under regulations prescribed by the Secretary of Defense. Any service obligation incurred by an officer under an agreement entered into under subsection (b) shall be in addition to any service obligation incurred by any such officer under any other provision of law or agreement.

"(d) Expenses incident to the detail of officers under this section shall be paid from any funds appropriated for the military department concerned.

"(e) An officer who, under regulations by the Secretary of Defense, is dropped from the program of legal training authorized by subsection (a) for deficiency in conduct or studies, or for other reasons, may be required to perform active duty in an appropriate military capacity in accordance with the active duty obligation imposed by regulations issued by the Secretary of Defense, except that in no case shall any such member be required to serve on active duty for any period in excess of one year for each year or part thereof he participated in the program.

"(f) No agreement detailing any officer of the armed forces to an accredited law school may be entered into during any period that the President is authorized by law to induct persons into the armed forces involuntarily. Nothing in this subsection shall affect any agreement entered into during any period when the President is not authorized by law to so induct persons into the armed forces."

(b) The table of contents of chapter 101 of title 10, United States Code, is amended by adding the following new item at the end thereof:

"2004. Detail of commissioned officers of the military departments as students at law schools.".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GOLDWATER. Mr. President, I thank the Senator from Missouri. I apologize for not having an adequate statement from the Defense Department. The statement I put in the RECORD provided that information. It was given to me verbatim.

I think it would be a step in the right direction if we could put that in the law. Actually, we are doing these things, but we are doing them around the Appropriations Committee. I do not think we should work around, but go straight.

Mr. SYMINGTON. Mr. President, may I say that because of my respect for the Senator from Arizona I accept that statement, but I thought we would want to have a statement from the Department of Defense in the RECORD prior to conference.

Mr. GOLDWATER. I appreciate that very much.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

PASSAGE OF S. 2482 VITIATED

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the earlier action in passing S. 2482 be vitiated.

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

Mr. MANSFIELD. I ask unanimous consent that the vote on passage of the bill reoccur right after the vote on Senate Resolution 171, and that it be in order at this time to order the yeas and nays on that vote.

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

Mr. MANSFIELD. I ask for the yeas and nays.

The yeas and nays were ordered.

PAY ADJUSTMENTS FOR FEDERAL EMPLOYEES

The PRESIDING OFFICER (Mr. PELL). The hour of 12 o'clock having arrived, the Senate will now resume consideration of Senate Resolution 171, which the clerk will state by title.

The assistant legislative clerk read as follows:

S. Res. 171, disapproving the alternative plan for pay adjustments for Federal employees.

The Senate resumed the consideration of the resolution.

Mr. McGEE. Mr. President, I yield 4 minutes to my colleague from Hawaii, the ranking minority member of the committee, who has been very active in this legislation.

The PRESIDING OFFICER. The Senator from Hawaii is recognized for 4 minutes.

Mr. FONG. Mr. President, I want to say again that Senate Resolution 171 is not a resolution to override the veto of the President on a Federal salary increase. There is no question here that the President is in favor of a salary increase for Federal white-collar workers and military personnel. However, he says that this increase should take effect not on October 1 when the statute authorizes it but that it become effective 2 months later on December 1.

This year, Mr. President, 600,000 postal employees, all of them Federal employees, have had a 6.8 percent increase in their wages. Their wages have not been deferred.

This year, 600,000 blue-collar workers, all of them Federal employees, have already received or will receive a pay increase, and that pay increase will not be deferred.

That being so, how can we in good conscience ask the other 1.3 million Federal white-collar workers to defer their pay increase when we know that their pay is lagging 6 months or more behind the salaries of their counterparts in private industry?

Federal salaries follow the salaries of private industry. They do not lead the salaries of private industry. Because Federal salaries follow those of private industry, the impact of their salary increases on inflation is minimal.

Private industry pay increases this year have been in the area of 5 percent or 6 percent. To allow the increases in private industry and those of the other 1.2 million Federal employees to go into effect without deferral this year and at the same time defer the pay increases for Federal white-collar and military personnel is grossly discriminatory and inequitable.

The Federal white-collar employees and military personnel who will benefit from this resolution number only 3.3 million—4 percent of our national workforce of 85 million. Presuming the pay increase they will receive will be 4.7 percent, I am not persuaded that a 2-month deferral of a 4.7 percent pay increase for 4 percent of our national workforce would have any appreciable effect on holding the line on inflation.

These Federal employees have already experienced one delay—last year—of their pay increases since enactment of the Federal Pay Comparability Act of 1970.

I believe the President was misinformed and ill-advised when he deferred the Federal white-collar and military personnel pay increase for 2 months, from October 1 to December 1.

It would be inequitable to delay their increases for a second consecutive year, especially when pay increases in other sectors of the country are allowed to go into effect on schedule.

A review of all the facts mandate approval of Senate Resolution 171. Equity and fairness compel me to support putting this white collar and military pay increase into effect on October 1, rather than delaying it 2 months to December 1.

I again urge the Senate to approve Senate Resolution 171.

Mr. SAXBE. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 5 minutes.

Mr. SAXBE. Mr. President, the facts are fairly plain. The President and the Office of Management and Budget are trying to fight inflation. They are trying to fight inflation on every front they can find. Sometimes I find that their position is not well taken and hard to support. But it is a rear guard action. We fight from stump to stump, trying to hold the dollar where it will amount to something, because when we do not do so we take it out of the hides of people on fixed incomes, their life savings, those who are trying to get by on small Social Security payments, out of aid for the aged and their savings.

Mr. President, inflation hurts everyone but it hurts these people the most.

Our Federal employees certainly are deserving of a raise but, like everything else, we are trying to hold the line. We are trying to hold the line here for 2 months, on $350 million dollars, which is not an inconsequential amount of money. But, even more than that, the psychological effect of a pay raise of 3.5 percent for the Federal employees of this country will open the gates for increases every other place.

How can we tell a man who works in the shops, "Just sit tight. We are fighting inflation. We are doing this for you. It is for your pension. It is for your retirement," when he has the same demands on him as any Federal employee.

It would almost seem to me that Congress is doing everything it can to thwart the fight against inflation. All summer long we have said, "Let us spend for this, let us spend for that, and take it out of the military appropriation bill when it comes up." We not only vote for everything that comes along, but we increase it, we increase it by passing more bills and pumping more money into them. We have had so many irresponsible acts here of late that it must mark Congress as being totally irresponsible. It came up with a speed-up of social security. Everyone ran over everyone else to vote for it. But no one said where the money would come from. No one said, "We will have to increase taxes in order to pay for all this, but "Take it out somewhere else." It will not even suggest an increase in the debt limit. The most suggestion I could get was, "We will take it out of the deficit."

Well, what is the deficit? The deficit is the printing plant down there that prints the money as we try to control the economy of this country. By inflating our currency, we will be in for continued inflation and continued trouble.

The people that will be affected by this bill will get approximately $80 per Federal employee concerned, which would be the amount they would lose between now and December.

I believe that if we are going to operate as Senators and statesmen with some responsibility here today, we should say no.

Let us defer the question. Let us help the President hold the line. He is trying to hold it on very unpopular items, on the price of gasoline, trying to hold it on the interest rates by keeping interest rates up so that they will not flood the economy. All these things have, one after another, been discredited. He is trying to hold the line by impoundments, one thing after another; so Congress comes in and says, "Oh, you cannot hold it there, you cannot hold it there, either. No way we can do it there," but just pump more money in here.

So that it comes down to: We must help the President hold the line. If we do not do it in this situation, how can we tell General Motors and Chrysler to get tough. So, let us sit down and hold the line on this. I realize that this is an unpopular cause. I have talked to many colleagues who say:

Well, I think the President is right. I think we have to hold the line. The dollar is getting worthless. We are being discredited in the world because our dollar internationally has gone to pieces. But I have too many Federal employees in my State. I am going to be a candidate next year.

This is ridiculous.

The recomputation amendment the other day was a good example. Everybody wants to be recomputed. You want to be recomputed with respect to retirement or salary, whatever it is. You would like to be recomputed on the present dollar. Everybody voted for it. I think there were 14 votes against recomputation. I went around to some Senators I considered responsible and I said:

Why do you vote for recomputation? It will cost $16 billion. Where is the money coming from?

They said:

We have firm assurance that the House is going to kill it.

What kind of business is this? If we are going to hold the line on inflation, this is where we can begin. It is not popular.

The PRESIDING OFFICER (Mr. HASKELL). The time of the Senator has expired.

Mr. SAXBE. I reserve the remainder of my time.

Mr. COOK. Mr. President, will the Senator yield me 2 minutes?

Mr. SAXBE. I yield.

Mr. COOK. Mr. President, I recall that a short time ago we had quite a debate on the floor as to whether we were going to move the question relative to pay raises over to the House and what would occur. I never heard such tears in my life about the financial crisis in the United States, and that we should not under any circumstances, until inflation had been cooled down, even consider such an increase for the Members of Congress.

I was in on that debate, and I was in on the discussion of the amendment by the distinguished Senator from Alabama. It was on the wrong bill, at the wrong time, but it fermented comment all over the United States. At that stage of the game, we talked about the responsibility of the people in this country to sacrifice.

We have 500 filling stations in western New York that have decided they are not going to pump gasoline this afternoon and all weekend, because Congress—every one of us—voted to put facilities in the hands of the Executive to control the economy, to control the price of items, to control what things could be sold for, to control the fact that many people in the industrial sector were going to lose money, that employees were going to lose money.

We are saying, "Do you believe that to try to control inflation in the United States in this particular fiscal year is worth 60 days of sacrifice?" That is really what we are saying.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COOK. Mr. President, will the Senator yield me 1 additional minute?

Mr. SAXBE. I yield.

Mr. COOK. I do not know who is up for election. Perhaps we have some elections in regard to some of the people who represent Government employees. I do not know. Perhaps we can compare those to the elections that some of the Members of this body have to face next year.

Does it really mean anything to say any more in the United States that you have to sacrifice to get your house in order, or does it really mean nothing?

Is anyone telling me that if we were to poll the people who are standing in line to get this $80 between now and the first of the year, which would amount to more than $300 million, they would not agree that it would be a pretty good deal if it kept their country in a little better financial shape?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SAXBE. Mr. President, I think the Senator from Kentucky has hit it very directly. If a vote were taken on this matter in the cloakroom, I am sure we would vote "present," because we are interested in our retirement.

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

Mr. SAXBE. Not just now.

We put in butter and we get back oleo, because of inflation.

The thing we have to remember here today is that if you go down the road and say you cannot touch this, you cannot touch that, you cannot bother the Federal employees, you cannot take it from there, it never gets done, as a result.

I think the time has to come in this body and in Congress when we accept the full responsibility. We talk about congressional responsibility, that we have given too much away to the President.

But believe me, the reason the President has it is that we do not want it. We do not want fiscal responsibility. We want to be fiscal junkies. Every time a goodie comes along, we will vote for it, but we will vote against all taxes. The same people who want to vote for all spending, when the time comes to increasing the debt limit work like a bunch of dodgers. They say, "We cannot vote to increase the debt limit. It is the fault of the people downtown." I know that my remarks will not have a great deal of effect here today, because of the public pressure that creates some of the feeling on this subject. But I know this: That unless we assume fiscal responsibility and are willing to tax ourselves to pay for the things we want, or take it away from somebody else whom we have given it to over the years, or to increase the debt limit every time we have a spending bill come up, we are inviting fiscal irresponsibility.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. McGEE. Mr. President, I ask for the yeas and nays on the adoption of the resolution.

The yeas and nays were ordered.

Mr. McGEE. Mr. President, I am willing to have the yeas and nays in the cloakroom, if that would satisfy the suggestion that somehow Senators would vote one way in the cloakroom and would not be counted on the floor. The issue here is not a popularity vote. The issue is equity and the law.

Look at the record. The President of the United States and his Council on the Cost of Living approved a 6-percent increase to adjust to the cost of living for the rubber industry. They approved a 7.2-percent increase for the major trucking industries this year, because of inflation and the rising cost of living. They approved a 7-percent increase for the electrical manufacturing industry. They approved a 5.5-percent increase for General Electric.

The private sector requests have been approved by the same President and his Cost of Living Council, because of the rising costs that have reduced the capability of families to make ends meet.

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

Mr. McGEE. No; I am not yielding. I have 5 minutes, and I am going to use it.

There are 1.2 million Federal employees who have also received this approval from the executive branch of the Government. The postal workers got 6.8 percent. The blue-collar workers got an adjustment this year, a group that has been extensively referred to. But the Federal employees are the only ones not affected by the guidelines the President laid down.

The petition from our committee is that we should live up to the intent of the public law, and that is that the President's decision be made on October 1. There is no economist living, whom I know of, with all present company excepted, who would pretend that a 2-months advance for 3½ percent of the work force, in an adjustment that is going to be made by the President, is going to have a bad effect on the country.

The policy has been set, the guidelines have been adopted, and the procedures have been ratified, only they are now, at this moment, for some curious reason, not applied to the Government workers. Equity is at stake with the only group that is left that has not been included in the guidelines set down to try to prevent inflation.

The guidelines were not set by me; the guidelines were set by the President and his officers. This is it. We are recommending, from the committee, that the guidelines be honored. We are not setting the percentage. The President can make it 1 percent, if he decides. His officers say it ought to be somewhere be-

tween 5.7 and 8.4 percent. But that is up to the President. We are merely saying that this group, at the back end of the line, is already 6 months late. Let us honor the intent of the law, which is that the President's judgment should be delivered on the 1st of October. He delayed last year; he delayed the year before that. Congress thought otherwise.

Therefore, Mr. President, it is my petition that this body stand up and be counted wherever they feel the most comfortable on what equity calls for on this question. If we were starting some new round of negotiations, it would be an entirely different kettle of fish. This is the one group that is left. In this country 83 million working people have come under the guidelines so far with 5.5 percent, 6.1 percent, and 7.2 percent increases. This tiny group is all that has been left out. For that reason, Mr. President, I would hope that our colleagues will stand up and be counted and that the judgment will be to restore equity and to bring us under the intent of public law in honoring the October deadline for this adjustment for Federal employees.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

Mr. MANSFIELD. Mr. President, I ask that all votes after this vote, which will be a 15-minute vote, be 10-minute votes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HANSEN. Mr. President, today, when the Senate considers Senate Resolution 171 to grant Federal pay raises in October instead of December, I plan to vote against this measure.

If the Senate approves Senate Resolution 171 and requires that pay increases become effective in October rather than later, the added cost to the taxpayers will be at least $156.2 million for regular Federal employees and an additional $201.7 million for members of the military—a total cost of $357.9 million which we can ill afford in a time of inflation which requires sacrifices of all citizens.

Federal employees received pay increases in January of this year, and while I fully recognize the impact on their income of price increases since then, I believe all in this Nation will benefit by reduced Federal expenditures, including Federal employees.

The people of this country reacted promptly to recent rumors that a tax increase to fight inflation was under consideration. My office began receiving letters from Wyoming citizens who emphatically denounced such an approach, advocating instead a decrease in Federal spending as the best way to fight inflation and stabilize prizes.

Inflation will be reduced only when the Federal budget is balanced. The Federal budget can be balanced in one of two ways: Either taxes must be increased to bring income up to the level of expenditures; or spending must be cut to the level of income. I doubt if we could find a single citizen in this country who wants his or her taxes increased.

The people expect the Government to reduce spending. They expect the Government to set the example in the fight against inflation. I am very strongly opposed to a tax increase, believing that reduced spending is the proper approach and the responsibility of Congress. Consequently, I shall vote against this resolution to grant pay increases 60 days earlier than the President recommended. If my position prevails and the resolution is defeated, $357.9 million will have been saved and we will be that many dollars closer to the time when Federal spending will equal Federal revenue.

Earlier this year when legislation was being considered to pave the way for pay increases to Members of Congress and other top Federal officials, I introduced a resolution to deny such increases. Many of my colleagues joined as cosponsors. My reasons for opposing the pay raise now under consideration are the same as my reasons for opposing the earlier pay increase proposal: In times of inflation and high prices triggered by inflation, Government must set the example of the sacrifices everyone is called upon to make, and Government must reduce its spending.

I hope the Senate will defeat this resolution and allow the scheduled pay raises to take effect on December 31, 1973, as proposed by the President.

Mr. DOLE. Mr. President, considering the provisions of law and the basic purpose of the Federal Pay Comparability Act, it seems only equitable that the increases scheduled to go into effect be allowed.

HISTORY OF ACT

In 1962, 5 U.S.C. 5301 was enacted to express the public policy that—

Federal pay rates shall be comparable with private enterprise pay rates for the same level of work.

Then in 1970 we enacted the Federal Pay Comparability Act of 1970 to eliminate the almost annual consideration of Federal civilian pay adjustments by the Congress but at the same time to provide catchup pay increases to be put into effect by administrative action to reduce the lag.

Historically the "alternative plan" provisions of the act were to provide the President flexibility in changing Federal pay increases in times of national emergency or adverse conditions.

QUESTION OF INCREASE

In consideration of the law it seems discriminatory to require Federal employees to make sacrifices based on economic conditions of inflation when private industry has had reasonable increases. We can all agree that inflation should be held down, but to single out only Federal employee salaries for deferral ignores the reality that Federal employees are affected by the same Consumer Price Index increases as any other individual.

Certainly the facts and equities justify implementing the Federal white collar and military pay increases into effect on October 1 rather than deferring it 2 months to December 1.

Mr. DOMENICI. Mr. President, I would like to say a few words with regard to my supporting vote for Senate Resolution 171 to allow civil servants a pay increase beginning October 1, 1973.

Mr. President, for the family of the Federal employee, as for those in the private sector, the cost of food, health care, housing, and fuel have continued to rise, insuring that the economic crunch is with us for some time to come. In the next few months we can expect that there will be further announcements of rises in the cost of living. The Federal employee is not immune to this hazard.

I believe it is the expressed and demonstrated intent of the majority of this Congress to hold down unnecessary Government spending and to follow the course of economic stabilization. I have spoken repeatedly as to my intentions in this regard and I am aware of the feelings of my colleagues. I do not feel the passage of this measure to go against this intent of Congress.

Under the provisions of the Comparability Act in 1969, it was determined that there would be an automatic review of salaries paid in the business sector compared to those employed in Government service.

Private industry settlements this year resulting from collective bargaining have, in the main, been reasonable—on the order of 5 or 6 percent. The Senate Post Office and Civil Service Committee felt that business management has been reasonable and agreed that Federal employees should be held to those same guidelines.

I would like to emphasize at this time that this pay increase would in no way affect Senators' salaries or the salaries of House Representatives.

In his message to Congress, the President praised the private business sector on pay increases by stating:

Labor and management in the private sector have done their share by acting with commendable restraint in agreeing upon new wage increases.

Federal employees have not shared in these increases. I felt they should be given comparability with the past increases in private sector salaries which the President has praised.

Mr. COTTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COTTON. Mr. President, what is the parliamentary situation?

Mr. McGEE. A vote of "aye" would rescind the President's announcement to give this increase on the 1st of December, and would return it to the other procedure under the law of requiring that he make the decision and on what percentage on October 1.

Mr. SAXBE. A vote of "aye" is for immediate approval of the wage increase, and a vote of "no" is that it be effective December 1.

The PRESIDING OFFICER. The question is on agreeing to the resolution. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. COTTON (after having voted in the negative). On this vote I have a pair with the Senator from Oregon (Mr. PACKWOOD). If he were present and voting, he would vote "yea." I have already voted "nay." I withdraw my vote.

Mr. ROBERT C. BYRD. I announce

that the Senator from Missouri (Mr. EAGLETON) and the Senator from Arkansas (Mr. MCCLELLAN) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL) and the Senator from Louisiana (Mr. JOHNSTON) are absent on official business.

I also announce that the Senator from Iowa (Mr. CLARK) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK), and the Senator from Alaska (Mr. GRAVEL) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. PACKWOOD), the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from Virginia (Mr. WILLIAM L. SCOTT) are necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that the Senator from Illinois (Mr. PERCY) is absent by leave of the Senate.

The pair of the Senator from Oregon (Mr. PACKWOOD) has been previously announced.

On this vote, the Senator from Illinois (Mr. PERCY) is paired with the Senator from Ohio (Mr. TAFT). If present and voting, the Senator from Illinois would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 72, nays 16, as follows:

[No. 434 Leg.]

YEAS—72

Abourezk	Fulbright	Montoya
Aiken	Gurney	Moss
Allen	Hart	Muskie
Bayh	Hartke	Nelson
Beall	Haskell	Nunn
Bellmon	Hatfield	Pastore
Bentsen	Hathaway	Pell
Bible	Hollings	Proxmire
Biden	Huddleston	Randolph
Brooke	Hughes	Ribicoff
Burdick	Humphrey	Roth
Byrd, Harry F., Jr.	Inouye	Schweiker
Byrd, Robert C.	Jackson	Sparkman
Cannon	Javits	Stafford
Case	Kennedy	Stennis
Chiles	Long	Stevens
Church	Magnuson	Stevenson
Cranston	Mansfield	Symington
Dole	Mathias	Talmadge
Domenici	McClure	Tunney
Dominick	McGee	Weicker
Eastland	McGovern	Williams
Ervin	McIntyre	Young
Fong	Metcalf	
	Mondale	

NAYS—16

Baker	Curtis	Hruska
Bartlett	Fannin	Saxbe
Bennett	Goldwater	Thurmond
Brock	Griffin	Tower
Buckley	Hansen	
Cook	Helms	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Cotton, against.

NOT VOTING—11

Clark	McClellan	Scott, Hugh
Eagleton	Packwood	Scott,
Gravel	Pearson	William L.
Johnston	Percy	Taft

So the resolution (S. Res. 171) was agreed to, as follows:

S. RES. 171

Resolution disapproving the alternative plan for pay adjustments for Federal employees

Resolved, That the Senate disapproves the alternative plan for pay adjustments for Federal employees under statutory pay systems recommended and submitted by the President to Congress on August 31, 1973, under section 5305(c) of title 5, United States Code.

Mr. MCGEE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. FONG. Mr. President, I move to lay that motion on the table.

Mr. ROBERT C. BYRD. Mr. President, the motion is not in order.

The PRESIDING OFFICER. The motion is not in order.

AMENDMENT OF SMALL BUSINESS ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 2482, a bill to amend the Small Business Act. The time for debate has expired. The yeas and nays have been ordered. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON) and the Senator from Arkansas (Mr. MCCLELLAN) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL) and the Senator from Louisiana (Mr. JOHNSTON) are absent on official business.

I also announce that the Senator from Iowa (Mr. CLARK) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. PACKWOOD), the Senator from Pennsylvania (Mr. HUGH SCOTT), and Senator from Virginia (Mr. WILLIAM L. SCOTT) are necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that the Senator from Illinois (Mr. PERCY) is absent by leave of the Senate.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) and the Senator from Ohio (Mr. TAFT) would each vote "yea."

The result was announced—yeas 89, nays 0, as follows:

[No. 435 Leg.]

YEAS—89

Abourezk	Brock	Cotton
Aiken	Brooke	Cranston
Allen	Buckley	Curtis
Baker	Burdick	Dole
Bartlett	Byrd, Harry F., Jr.	Domenici
Bayh	Byrd, Robert C.	Dominick
Beall	Cannon	Eastland
Bellmon	Case	Ervin
Bennett	Chiles	Fannin
Bentsen	Church	Fong
Bible	Cook	Fulbright
Biden	Griffin	Goldwater
	Gurney	Long
	Hansen	Magnuson
	Hart	Mansfield
	Hartke	Mathias
	Haskell	McClure
	Hatfield	McGee
	Hathaway	McGovern
	Helms	McIntyre
	Hollings	Metcalf
	Hruska	Mondale
	Huddleston	Montoya
	Hughes	Moss
	Humphrey	Muskie
	Inouye	Nelson
	Jackson	Nunn
	Javits	Pastore
	Kennedy	Pell
		Proxmire
		Randolph
		Ribicoff
		Roth
		Saxbe
		Schweiker
		Sparkman
		Stafford
		Stennis
		Stevens
		Stevenson
		Symington
		Talmadge
		Thurmond
		Tower
		Tunney
		Weicker
		Williams
		Young

NAYS—0

NOT VOTING—11

Clark	McClellan	Scott, Hugh
Eagleton	Packwood	Scott,
Gravel	Pearson	William L.
Johnston	Percy	Taft

So the bill (S. 2482) was passed, as follows:

S. 2482

An act to amend the Small Business Act

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

AUTHORIZATION

SECTION 1. Paragraph (4) of section 4(c) of the Small Business Act is amended—

(1) by striking out "$4,300,000,000" and inserting in lieu thereof "$6,600,000,000";

(2) by striking out "$500,000,000" where it appears in clause (B) and inserting in lieu thereof "$725,000,000";

(3) by striking out "$500,000,000" where it appears in clause (C) and inserting in lieu thereof "$600,000,000"; and

(4) by striking out "$350,000,000" and inserting in lieu thereof "$475,000,000".

LOANS TO MEET REGULATORY STANDARDS

SEC. 2. (a) Section 7(b)(5) of the Small Business Act is amended to read as follows:

"(5) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in effecting additions to or alterations in its plant, facilities, or methods of operation to meet requirements imposed on such concern pursuant to any Federal law, any State law enacted in conformity therewith, or any regulation or order of a duly authorized Federal, State, regional, or local agency issued in conformity with such Federal law, if the Administration determines that such concern is likely to suffer substantial economic injury without assistance under this paragraph: *Provided,* That the maximum loan made to any small business concern under this paragraph shall not exceed the maximum loan which, under rules or regulations prescribed by the Administration, may be made to any business enterprise under paragraph (1) of this subsection; and".

(b)(1) Section 7(b)(6) of the Small Business Act is repealed.

(2) Paragraph (7) of such section 7(b) is redesignated as paragraph (6).

(c) Section 28(d) of the Occupational Safety and Health Act of 1970 (Public Law 91-596) is amended by striking out "7(b)(6)" and inserting in lieu thereof "7(b)(5)".

(d) In no case shall the interest rate charged for loans to meet regulatory standards be lower than loans made in connection with physical disasters.

CONFORMING TECHNICAL AMENDMENTS

SEC. 3. (a) Subsection (g) of section 7 of the Small Business Act, as added by section 3(b) of the Small Business Investment Act Amendments of 1972, is redesignated as subsection (h).

(b) Subsection (c) of section 4 of the Small Business Act is amended by striking out "7(g)" each place it appears in paragraphs (1)(B), (2), and (4) and inserting in lieu thereof "7(h)".

AUTHORITY OF SECRETARY OF AGRICULTURE WITH RESPECT TO NATURAL DISASTERS

SEC. 4. Notwithstanding the provisions of Public Law 93-24, the Secretary of Agriculture shall continue to exercise his authority with respect to natural disasters which occurred after December 26, 1972, but prior to April 20, 1973, in accordance with the provisions of section 5 of Public Law 92-385 as such section was in effect prior to April 20, 1973.

LIVESTOCK LOANS

SEC. 5. Section 7(b)(4) of the Small Business Act is amended by inserting before the semicolon at the end thereof the following: ": *Provided*, That loans under this paragraph include loans to persons who are engaged in the business of raising livestock (including but not limited to cattle, hogs, and poultry), and who suffer substantial economic injury as a result of animal disease".

LOANS FOR ADJUSTMENT ASSISTANCE IN BASE CLOSINGS

SEC. 6. Section 7(b) of the Small Business Act is amended by adding after paragraph (6) the following new paragraph:

"(7) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in continuing in business at its existing location, in reestablishing its business, in purchasing a new business, or in establishing a new business if the Administration determines that such concern has suffered or will suffer substantial economic injury as the result of the closing by the Federal Government of a major military installation under the jurisdiction of the Department of Defense, or as a result of a severe reduction in the scope and size of operations at a major military installation.".

ANNUAL REPORT ON STATE OF SMALL BUSINESS

SEC. 7. The first sentence of subsection (a) of section 10 of the Small Business Act and the first word of the second sentence of such subsection are amended to read as follows: "The Administration shall, as soon as practicable each calendar year make a comprehensive annual report to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include a description of the state of small business in the Nation and the several States, and a description of the operations of the Administration under this chapter, including, but not limited to, the general lending, disaster relief, Government regulation relief, procurement and property disposal, research and development, technical assistance, dissemination of data and information, and other functions under the jurisdiction of the Administration during the previous calendar year. Such report shall contain recommendations for strengthening or improving such programs, or, when necessary or desirable to implement more effectively congressional policies and proposals, for establishing new or alternative programs. In addition, such".

ANTIDISCRIMINATION AMENDMENT

SEC. 8. Section 4(b) of the Small Business Act is amended by adding after "The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator." the following new sentence: "In carrying out the programs administered by the Small Business Administration including its lending and guaranteeing functions, the Administrator shall not discriminate on the basis of sex or marital status against any person or small business concern applying for or receiving assistance from the Small Business Administration, and the Small Business Administration shall give special consideration to veterans of the Armed Forces of the United States and their survivors or dependents.".

Mr. TOWER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TOWER. Mr. President, is a motion to reconsider this vote in order?

The PRESIDING OFFICER. A motion to reconsider is not in order since the bill has already been reconsidered once.

Mr. STEVENSON. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STEVENSON. Mr. President, would it be in order to make a unanimous-consent request that passage be reconsidered, that third reading be reconsidered, that amendments be agreed to, and that as thus amended the bill be passed?

The PRESIDING OFFICER. That would be in order.

Mr. STEVENSON. And for how long would such a unanimous-consent request be in order?

The PRESIDING OFFICER. At any time so long as the bill is in the possession of the Senate.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974.

The Senate continued with the consideration of the bill (H.R. 9286) 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 loans, and for other purposes.

Mr. MANSFIELD. Mr. President, under the previous agreement, I call up amendment No. 519, offered by the distinguished Senator from Iowa (Mr. CLARK).

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

On page 18, line 18, strike out "$3,628,700,000" and insert in lieu thereof "$2,971,000,000".

On page 19, between lines 3 and 4, insert a new section as follows:

"SEC. 102. None of the funds authorized to be appropriated by this or any other Act may be used for the purpose of procuring any items or services in connection with the construction of the CVN-70 nuclear attack aircraft carrier.".

Mr. TOWER. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time consumed be charged equally to both sides.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. BROCK. Mr. President, the Senate is now in the midst of consideration of the military authorization bill. In so doing it should be moving the American defense program into the post-Vietnam era.

Considering this fact, I find it very curious that there has not been more serious conceptual discussion about the future of our military affairs. This year ought to be a turning point, the time when we take the long view, and begin to chart our requirements for the remainder of this century.

Relieved of the burden of supporting de facto combat, we should be engaging in a national debate on broad policy questions, seeking to assess the lessons of the past, the realities of the present and the potential of the future, with the goal of a balanced program to assure the strength of our Nation and the security of its future.

Instead, I fear we have fallen into a syndrome of nitpicking.

It would sometimes appear, from the newspapers, that the most important question of our military policy is this: how high ranking should an officer be in order to deserve a chauffeur?

For some, the key debating point on national defense is simply scissor work. The rallying cry is "cut," and the only limitation is to make sure that the cuts do not affect one's hometown economy. For others, it seems that any suggested addition is automatically good.

By the time this body completes its action, I suspect that there will be amendments to cut every program, and amendments to increase every program.

It is, of course, proper and necessary to debate the appropriate level of individual program expenditures. This controversy over how much to spend, however, is a poor substitute for the kind of in-depth study in which we should be engaging at this vital turning point in the history of American defense policy.

Where are the goals? Where is the overview? Where is the careful consideration of defense priorities?

I have made some suggestions, and I would like to review them briefly today. But I cannot believe that others in this body and elsewhere do not have ideas equally good, or better.

I would suggest first of all that we need better coordination within and between the various committees on the question of national security policy. In that regard, I have proposed an Ad Hoc Subcommittee on National Security to be established within the Government Operations Committee. Senator ERVIN has graciously promised to study the idea when Congress recesses, and I am hopeful that such a group can be formed in time that at least some preliminary

reports may be published in time for the fiscal year 1975 appropriations debate.

It is also clear that we need some streamlining techniques for studying the military budget. Consider the current authorization bill. The section for naval vessels has two lines. The first is the title: "Naval Vessels." The second, laconic in the extreme, reads "for naval vessels: for the Navy, $3,628,700,000." Over $3½ billion disposed of in two lines. How is one to vote responsibly on that?

We look into the committee report, and here we find two and a half pages of discussion on naval vessels, but this is not in-depth conceptual thinking, relating this expenditure to some specific strategic or tactical objective.

Or consider an even better example. We have the key strategic concept of Triad, the mixture of land-based, sea-based, and airborne strategic nuclear weapons. Why, then, does the word Triad appear nowhere in the bill, and in no organizational sense in the report?

Modernization programs for land-based missiles, the Minuteman III program, for example, appear in one section, conversion of sea-based missile to MIRV are somewhere else, and the B–52 modernizations are in still another section.

Individually, each of these systems can be justified, and each can be criticized, but if Triad is more than just a word, the proper way to analyze it is in a unified structure; it is not three programs, it is one, and we will do little justice to our responsibility for policy development if we view it otherwise.

If, then, we are to have a rational basis for discussion, we need to develop some general baseline concepts. I have four to suggest, among many. Whether we use these four, however, or some others, the point is that without a yardstick, an enveloping theory, it is difficult and dangerous to judge separate systems.

The four concepts I have suggested are these:

STAGGERED PHASE-IN

We cannot afford everything at once. The current proposal is to modernize all three legs of Triad at once. Two things disturb me about this, the first and obvious being the cost, and the second, more subtle but equally important, the fact that if all are begun at once, all may become obsolete at once.

This concurrent obsolescence is perhaps less obvious with regard to Triad than it is with other programs. For example, in fighter planes, the Navy F–14 and Air Force F–15 are proceeding astep. The initial cost here is disturbing enough, but what really bothers me is that these two expensive airplanes will become obsolete at the same time.

Since they are both already at the production stage, it is probably too late to apply the principle of staggered phase-in, but other programs, still at the R. & D. stage may be appropriate for this sort of thinking, such as our programs for close-support aircraft, are currently under development by the Air Force—the A–10—and the Army—the advance attack helicopter.

HI-LO

I believe in a strong military posture. The incredible cost of modern weapons, however, leads me to the conclusion that it is both necessary and desirable to mix high-cost items in with some that are more economical.

The $12 million F–15, for example, could be obtained in reduced quantities, with the remainder of our required number of fighter planes with the cheaper, but adequate F–5E. Similarly, we should balance the high-cost proposed new XM–1 tank with some of lower cost and with antitank weapons.

We simply cannot afford to replace the $3 million F–4 with the $12 million F–15 or the $300,000 M–60 tank with one costing $1 million, unit for unit.

But we do need planes and tanks and other weapons in quantity, simply to keep parity with the Soviet Union, and the Hi-Lo approach will provide us with an answer.

I was particularly pleased to see the Armed Services Committee add $14 million for F–5E R. & D. I think the Congress should give a good hard look at the results of these studies on this lightweight aircraft. On the other hand, I view with some apprehension the deletion of funds for the Navy's sea control ship, which might make a very good "Lo" for our aircraft carrier "Hi's."

With the current cost of weaponry, the armed services are simply going to have to start developing more "Lo's" in order to fill the quantity gap. Jane's editors now assert that the Soviet Navy is "the world's largest by almost any criteria," and the reason is that we have priced ourselves out of contention for at least the immediate future.

CAPABILITY WITHOUT PRODUCTION

With the cost of weaponry soaring, it is not unreasonable to suggest that we undertake a conscious program whereby we develop a sophisticated weapons system, while delaying production until the system is actually needed. In this, it is necessary to recognize that such a system might never be produced.

It does not follow, however, that the money spent on R. & D. was wasted. Rather, we may more properly say that the money not spent on production was saved. The R. & D. is always an investment in greater technology, whether used in one specific program or not.

The Brookings Institute, commenting on the SALT talks, said:

> In the last analysis, the United States brings two advantages to these negotiations: its technical leadership and its superior economic resources.

We must never lose that technical leadership. With our superior economic resources and technical leadership, we can quickly put into production items that may be urgently required in any given situation.

NEW DEFINITION OF RULES

We clearly need to reexamine the roles of the various services. The committee report opposes excessive concurrency, and questions the need for four separate tactical air forces, but we have established no clear role definitions that will serve as models for the consideration of weaponry, manpower, and other elements of defense requirements.

In addition to role reexamination between the services, we need a close examination of the roles and methods of such matters as manpower, military education, and procurement.

CONCLUSIONS

The Nation has been greatly concerned with the domestic matters in this year, and as a result, we have not seized this historic opportunity to mold a new military policy.

This is regrettable, but regrets will not change the fact. I am confident that if the sort of thinking needed were to take place, we could save the American people substantial sums of money. Certainly, we could spend their money more efficiently.

In the absence of clear-cut debate, however, one is left with the situation of deciding piecemeal about whether or not to cut this program or that. Piecemeal cuts do little to assure the defense of the Nation, and I shall err on the side of safety in the current series of votes—frustrating as that course may be.

I hope I shall have better alternatives in next year's debate. I hope that each of us in this body will have then the opportunity we do not have now: to build for the future an efficient and effective defense system for the post Vietnam era, and for the protection of the American people and the liberties we cherish.

MESSAGES FROM THE PRESIDENT

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

THE FEDERAL OCEAN PROGRAM—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. HASKELL) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Commerce. The message is as follows:

To the Congress of the United States:

The past decade has been a productive period in our Nation's effort to better understand and utilize our marine resources. The early 1960's saw the establishment of a firm foundation for our Nation's oceanographic research programs. Building on this research base in the late 1960's and early 1970's, we began formulating policies and carrying out plans to derive practical benefits from our ocean activities. New marine-related institutions were developed, the importance of marine sciences to the activities of existing institutions was recognized, and their efforts were expanded. While recognizing the ongoing importance of basic research, I believe that this emphasis on practical benefits must also be carried forward in the years ahead.

OCEAN INDUSTRIES

We have been particularly concerned of late with the challenge of relieving our dependence on marine imports and, at the same time, providing new products and services for export. Our fishing industry has been a special focus of concern. At present, we import approximately 70 percent of our fish products, in spite of the fact that some of the world's most fertile fisheries lie directly

off our coasts. These imports contribute a billion dollars to our foreign trade deficit. To help protect our domestic fishing industry, I have recommended legislation which would permit U.S. regulation of foreign fishing off our coasts to the fullest extent authorized by international agreements and would permit Federal regulation of domestic fisheries in the U.S. fisheries zone and in the high seas beyond that zone.

Of the non-living or mineral resources of the seabed, petroleum from our continental shelves will be the most important to the Nation for some years to come. I have directed the Secretary of the Interior to continue to accelerate the leasing of Outer Continental Shelf lands for oil and gas production to a level triple the present annual acreage rate by 1979, as long as such development can proceed with adequate protection of the environment and under conditions consistent with my Oceans Policy statement of May 1970.

We are also seeking agreement with other nations on a suitable means for developing mineral resources beyond the limits of national jurisdiction.

MANAGING OUR MARINE RESOURCES

Our efforts to improve the means by which we extract resources from the sea must be accompanied by efforts to ensure that those resources are managed properly to protect their continued abundance. In America, as in other nations, there is a deepening concern for the marine environment and the welfare of its associated plant and animal life. There is also a growing worldwide recognition that the welfare of the ocean resources is of international concern. This concern has been manifested in the establishment of the United Nations Environment Program and Fund following the Conference on the Human Environment at Stockholm and in the recent Convention on International Trade and Endangered Wild Species of Fauna and Flora. The Marine Mammals Act of 1972, which will help in the preservation of porpoises, seals, whales and other mammals which inhabit the seas and shores, is another significant step in the effort. So is my proposed Endangered Species Conservation Act, which would permit protective measures to be undertaken before a species is so depleted that its recovery is difficult or impossible.

The need for proper management of our coastal areas is inextricably linked with the need for proper management of our marine resources. Much of our population is concentrated on the relatively narrow band of our national coastal zone. The problems of urban development and land transportation within this zone, as well as the impact of ocean vessels of mammoth tonnage, demand serious consideration of our entire coastal transportation complex—including deepwater ports and off-shore terminals. Recently proposed legislation for the licensing of deepwater ports is another key element in our effort to anticipate and resolve this problem.

I believe that coastal zone management must be part of a program for the proper management of all our national lands. For this reason, my legislative program for this year includes again my recommendation for a major National Land Use Policy Act, a bill which would place special emphasis on the problems of our coastal zone.

I have further requested that the Senate give its consent to the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, adopted in November 1972 by the United States and 91 other nations. I have proposed amendments to our ocean dumping legislation fully to implement the Convention and I am proposing legislation to carry out other international agreements related to pollution control under the auspices of the Intergovernmental Maritime Consultative Organization.

MARINE ADVISORY SERVICES

To support Federal marine programs and to assist in their application for the benefit of the American public, a marine advisory service has been established to serve as a two-way communications link with the public. Field agents of this advisory service—"county agents in hip boots"—will help bring to the Nation an awareness of our ocean heritage and its potential for satisfying many of our economic and social needs.

INTERNATIONAL COOPERATION

Problems of the marine environment have a unique global dimension. As we continue our efforts in the marine areas that I have highlighted, we shall also work to improve the performance of these functions within the international community. We are already making headway, for example, in advancing the International Decade of Ocean Exploration, the International Field Year of the Great Lakes, and the Integrated Global Ocean Station System of the Intergovernmental Oceanographic Commission and the World Meteorological Organization.

We have also established special agreements for cooperative marine activities with a number of nations, including Canada, France, Japan, and the U.S.S.R. In addition, we shall take whatever efforts are required to fulfill those commitments made at the Stockholm Conference on the Human Environment, the meetings of the International Whaling Commission, and the significant deliberations of numerous other organizations dedicated to fisheries and the marine environment. We shall also continue to work with developing nations, helping them to realize more fully the benefits available to them from the oceans and generating the climate necessary to assure freedom of research at sea for all nations.

Finally, we must seek ways to insure that the oceans remain an avenue of peaceful cooperation rather than an arena of tension-filled confrontation. Our efforts in the Law of the Sea deliberations, now beginning, will be devoted to this goal.

CONCLUSION

America is a seagoing nation with great dependence on the oceans that surround it. We can take pride in our past leadership and our accomplishments in marine science and engineering. I am determined that our future Federal marine effort will continue that leadership to the benefit of our Nation and all mankind.

RICHARD NIXON.

THE WHITE HOUSE, *September 28, 1973.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. HASKELL) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

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

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) 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.

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

The PRESIDING OFFICER. Under the same conditions, charging the time equally?

Mr. MANSFIELD. Yes, to both sides.

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

The legislative clerk proceeded to call the roll.

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

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) may be permitted to call up an amendment at this time; that there be a time limitation thereon of 40 minutes. to be equally divided in accordance with the usual form, with a time limitation on any amendment thereto, debatable motion, or appeal limited to 10 minutes, to be equally divided in accordance with the usual form.

Mr. TOWER. Mr. President, reserving the right to object—and I shall not object—this is with the understanding that we will return immediately to the pending amendment, once the amendment of the Senator from Virginia has been disposed of.

Mr. ROBERT C. BYRD. The Senator is correct.

The PRESIDING OFFICER. That will be the procedure, under the agreement.

Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill, add the following new section:

GOVERNMENT OF INDIA LOAN SETTLEMENT

SEC. —. The United States Government may not agree to any settlement with the Government of India with respect to sums owed by that Government to the United States Government on sales and on loans made pursuant to law, unless—

(1) that settlement provides for the Government of India paying all of such sums owed; or

(2) Congress, by law, specifically authorizes settlement in an amount which is less than all of such sums owed.

Mr. HARRY F. BYRD, JR. I yield myself 5 minutes.

Mr. President, on September 19, the press reported that the Indian Government has proposed, and the United States has tentatively accepted, settling India's $3 billion debt to the United States. The settlement provides for the United States to obtain $100 million in cash and $900 million to be spent on U.S. operations in India and aid to neighboring countries. Obviously, the United States gets nothing out of the second proposal, dealing with the $900 million.

Under the terms of the proposal carried to Washington from New Delhi by U.S. Ambassador Daniel P. Moynihan, the remaining $2 billion debt would be used to underwrite agricultural development, rural electricity, housing, and other Indian projects. This debt has been built up over many years.

So for the $3 billion owed the United States by India, the United States would get only $100 million.

Mr. President, a little while ago, the Senate adopted an amendment to this bill providing for aid to Israel. I favor that aid to Israel amendment. My amendment is what I call an aid-to-the American-taxpayers amendment—aid to the American taxpayers, the forgotten people.

In my judgment, it is neither right nor logical nor sound to permit an ambassador, whether it be the eminent Dr. Daniel P. Moynihan or some other ambassador, to go to a foreign country and make a settlement with that government to virtually cancel that government's debt to the United States.

That money is the property of the American taxpayer. Only the Congress can appropriate tax funds.

The amount involved is huge—approximately $3 billion. Other countries have debts to the United States, but I am dealing today only with India. I do this because the amount is so large and because a giveaway of U.S. tax funds seems imminent.

The Government of India owes the United States $3 billion. I submit that that $3 billion, belonging to the taxpayers, should not be given to India, or to any other nation, for that matter, without the approval of Congress.

I will not pass judgment as to whether the agreement made by Ambassador Moynihan is wise or unwise; but I say that when $3 billion is involved, Congress—the elected representatives of the people—must make the decision as to whether such debt will be canceled.

The proposal I have offered to the Senate says that there shall be no settlement at less than 100 cents on the dollar of the debt owed by India to the United States, unless Congress approves. It leaves the decision with the Congress.

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

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

Mr. GOLDWATER. Is the proposal the Senator has made in the form of a resolution or a bill?

Mr. HARRY F. BYRD, JR. It is in the form of an amendment to the pending bill.

Mr. GOLDWATER. I would feel highly honored if the Senator would allow me to be a cosponsor.

I do not think we have the right—I do not think the President has the right—to give the taxpayers' money away.

If he wants to give it away, let us give it back to the taxpayers.

Mr. HARRY F. BYRD, JR. I agree thoroughly.

Mr. GOLDWATER. I never voted to give money to any nation in the world, but we have done it. I see no legal, moral way we can cancel debts owed to us. I wish somebody would cancel my income tax.

Mr. HARRY F. BYRD, JR. I thank the Senator. I agree thoroughly.

Mr. President, I ask unanimous consent that the able and distinguished Senator from South Carolina (Mr. THURMOND) and the able and distinguished Senator from Arizona (Mr. GOLDWATER) and the able and distinguished Senator from North Carolina (Mr. HELMS) may be made cosponsors of this amendment.

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

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

Mr. HARRY F. BYRD, JR. I yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I commend the able Senator from Virginia for offering the amendment.

If India owes the United States $3 billion, it owes it to the people of this country. I certainly do not think Ambassador Moynihan or even the President of the United States should undertake unto themselves the authority to cancel such a debt; only Congress should pass on that matter. As a Member of Congress, I would not favor such a proposal. If they borrowed the money, then why not have them repay it? If they want to take a long time, that can be arranged, but why should we cancel it?

Furthermore, India has not been too friendly to the United States in recent years. I wonder if this is a gesture to try to buy friendship. My experience has been we cannot buy friendship. We have furnished money all over the world, and instead of making friends we have lost friends because they get angry if we contact them about having the money paid back, and they feel like using that money for ulterior purposes.

I agree wholeheartedly with the Senator. On this side we are willing to take the amendment to conference.

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

Mr. HARRY F. BYRD, JR. I yield to the Senator from Minnesota. First, Mr. President, I ask unanimous consent that the name of the able Senator from Georgia (Mr. NUNN) be added as a cosponsor of the amendment.

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

Mr. HUMPHREY. Mr. President, I rise merely to sound a note of caution, to stop, look, and listen. The basic thrust of this amendment, of course, meets with considerable immediate approval. But let me tell Senators what it is about.

There are approximately $7 billion worth of rupees, Indian rupees, as a result of sales under Public Law 480, surplus agricultural commodities, over a long period of time, going back to the 1950's. Those rupees are in an account of the Government of the United States and stand as a mortal threat to the economic solvency of India.

The effort was made here to arrive at some kind of settlement in hard currency for these rupees. Ambassador Moynihan just the other day came to speak to me about the matter very briefly. Apparently negotiations have been underway for some time. Previous efforts were made. A much smaller figure was bandied about in the U.S. Government for settlement.

I understand Ambassador Moynihan was able to negotiate a settlement of about $1 billion. I think that is about right.

Mr. HARRY F. BYRD, JR. I think the Senator is mistaken.

Mr. HUMPHREY. That is what he told me, anyway.

Mr. HARRY F. BYRD, JR. It depends on how the $1 billion is figured. The news account states that the United States will get $100 million in cash and $900 million will be spent on U.S. operations in India and aid to neighboring countries—and another $2 billion will be used to underwrite projects in India.

Congress has not passed on that. I am not passing judgment, I might say to the distinguished Senator from Minnesota, on the merits of what Ambassador Moynihan did.

All my proposal provides is that before $3 billion in debts owed to the United States by India is canceled, the American Congress, the representatives of the taxpayers, make the final decision. That is all it provides.

Mr. HUMPHREY. The figures are so confusing, because the figures I have heard often are far in excess of $3 billion.

Mr. HARRY F. BYRD, JR. The Senator is speaking of rupees; I am speaking of U.S. dollars.

Mr. HUMPHREY. I am speaking of dollars, too. Also, the money is not in dollars. Actually what we got from the sale of surplus commodities in the past we were able to sell to them for what we call counterpart funds—for their currency. Much of that currency is not convertible at all. We did the same thing with the Italian lira, with the Polish zloty; and the same thing in the instance of Spain's peseta. All these moneys accumulate as a result of transactions in

what we then called surplus agricultural commodities. We had agreements with those countries that if that money could be expended, they would have to program it through their ministries of finance, so that there would not be a flush of money running into their economy, which would be inflationary and might cause a scarcity of goods. Some people have called it funny money. It is not comparable to money that has been piled up, where it has become a serious matter of diplomatic relations and of serious concern to the economy of the country that held it, strange as that may seem.

All I would say is that we might have consulted on this matter with the Treasury Department, or with the Secretary of the Treasury, Mr. Shultz; with the Secretary of State, Mr. Kissinger; or with someone who could give us a little more insight than we have now. I am sorry that someone is not here from the administration's side to take care of this case. I know that the President, the Secretary of State, and the Secretary of the Treasury have been deeply concerned about the matter. I was only trying to put up a warning signal, so that we could hear the other side of the situation before we took precipitate action. I tend to agree with what the Senator offers, but I know there is another side to the story, and it has not been stated on the Senate floor.

Mr. HARRY F. BYRD, JR. I am not passing judgment on the merits of the settlement. Probably I would not agree with the merits of the settlement, but I am not passing judgment on that now. All I am saying is that, whether it be Ambassador Moynihan or Secretary of State Kissinger or President Nixon, none of these individuals has the right to take $3 billion that belongs to the American taxpayers and give it to India, or to other countries, without coming to Congress.

Mr. HUMPHREY. From what I learned from Ambassador Moynihan, that settlement was to be referred to Congress. The Committee on Agriculture and Forestry was the authorizing committee of Public Law 480.

Mr. HARRY F. BYRD, JR. Then this amendment will do no damage.

Mr. HUMPHREY. May I say to the Senator quickly—I shall not take more time—that my concern was that somebody should come in and explain the administration's position on this question. It is a serious matter. I think the Senator's proposal is reasonable from his point of view; but it seems to me that we will need to know much more about it. If the matter is going to be sent to Congress, it ought to be referred to the Committee on Agriculture and Forestry.

Mr. HARRY F. BYRD, JR. That is fine. This amendment will require that the matter be submitted to the Congress.

Mr. HUMPHREY. Very good. I think we ought to ventilate the matter a little bit. If we do not do that, we may have to make another 180-degree turnaround and do a little stopping, looking, and listening wherever that is necessary.

Mr. GOLDWATER. Mr. President, I should like to inquire of either Senator whether this money is what we call counterpart money.

Mr. HUMPHREY. That is correct; that is what it is.

Mr. GOLDWATER. Being that, this money remains in the country concerned?

Mr. HUMPHREY. It was my understanding, from what I have been informed in conversation, that this was an effort to take a substantial amount of counterpart rupees and come down to an agreement on a billion dollars' worth, and that $2 billion dollars would be left for whatever purposes would be agreed on for use.

As I understand from what the Senator from Virginia has read from the press report, he has thought there would be $100 million in cash payment and $900 million available to the Government of the United States for payment of its own needs within India and for other things that might be available in other countries.

So I think that what we are really trying to get at here, and the whole question the Senator from Virginia poses, is whether Congress should have something to say about it. I think Congress should have something to say about it.

The PRESIDING OFFICER. The Chair will remind the Senator that 15 of his 20 minutes have expired.

Mr. GOLDWATER. The subject of counterpart funds has always bothered me, and the fact that these moneys, which rightly belong to the United States, rest around the world in different countries through transactions known as Public Law 480. As I understand the law, they cannot be returned to the United States, but are used to build embassies, maintain embassies, and so forth. I think this whole subject, as the Senator suggests, deserves not a little airing, but a lot of airing. I am glad the Senator has injected himself into it.

Mr. HARRY F. BYRD, JR. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, what the Senator from Arizona has said has great merit. I agree with him. As a matter of fact, may I say to the Senator that, as a result of the concerns he has expressed, along with others, in years past, Public Law 480 has been amended, so that instead of going into counterpart funds, we go into concessional sales of dollars, where there is more favorable rates of interest and terms, so that at least we have some convertible dollars. But in earlier days, rather than living up to Public Law 480, we played games and we took counterpart funds which we used for our Embassies, travel, to make loans for businessmen who wanted to build plants overseas, et cetera.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that a news article on this subject, plus a telegram which I sent to the Secretary of State, plus a letter which I had hand delivered to the Secretary of State be inserted at this point in the RECORD.

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

INDIA MAY SETTLE DEBT TO UNITED STATES

WASHINGTON.—The Indian government has proposed—and the United States tentatively accepted—settling its $3 billion debt for $100 million in cash and $900 million to be spent on U.S. operations in India and aid to neighboring countries.

Under terms of the proposal carried here from New Delhi by U.S. Ambassador Daniel P. Moynihan, the remaining $2 billion debt would be used to underwrite agricultural development, rural electricity, housing and other Indian projects.

The debt has built up over the years from two primary sources: American grain supplied during the famine years of the 1960s under the Food for Peace program, and now-completed U.S. aid loans to India. Although the debt is equivalent to $3 billion, it is actually owed to America by India in terms of rupees, not U.S. dollars.

SEPTEMBER 27, 1973.

Hon. HENRY KISSINGER,
Secretary of State,
Department of State,
Washington, D.C.

MY DEAR MR. SECRETARY: The attached is a copy of a telegram which I sent to you last evening. I know the heavy volume of mail your office must handle, so I am having a copy hand delivered.

I would appreciate a prompt reply.

Cordially,

HARRY F. BYRD, JR.

SEPTEMBER 26, 1973.

Hon. HENRY KISSINGER,
Secretary of State,
Department of State,
Washington, D.C.:

The Associated Press on September 19, reported that the Indian government has proposed and the United States has tentatively accepted settlement of its $3 billion debt for $100 million in cash and $900 million to be spent on U.S. operations in India and aid to neighboring countries.

The report says the remaining $2 billion debt would be used to underwrite various Indian projects. I would appreciate a detailed statement as to the accuracy of The Associated Press report and whether this arrangement is being made unilaterally by the Executive Branch or will its terms be submitted to the Congress for approval. A prompt reply would be appreciated.

HARRY F. BYRD, JR.,
U.S. Senator.

Mr. HARRY F. BYRD, JR. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from South Carolina control the opposition time?

Mr. THURMOND. I suppose I do, Mr. President, and I am in favor of the amendment. I yield back whatever time I have on it and we can have a vote.

The PRESIDING OFFICER. All time having been yielded back on the amendment, and the yeas and nays having been ordered, the question is on agreeing to the amendment of the Senator from Virginia (Mr. HARRY F. BYRD, JR.). The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from Hawaii (Mr. INOUYE), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from Montana (Mr. METCALF) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL) and the Sen-

ator from Louisiana (Mr. JOHNSTON) are absent on official business.

I also announce that the Senator from Iowa (Mr. CLARK) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from Iowa (Mr. CLARK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. PACKWOOD), the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from Virginia (Mr. WILLIAM L. SCOTT) are necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announced that the Senator from Illinois (Mr. PERCY) is absent by leave of the Senate.

I further announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

Also, the Senator from North Dakota (Mr. YOUNG) is detained on official business.

The result was announced—yeas 67, nays 18, as follows:

[No. 436 Leg.]

YEAS—67

Abourezk	Dole	McIntyre
Allen	Domenici	Montoya
Baker	Dominick	Moss
Bartlett	Eastland	Muskie
Bayh	Ervin	Nelson
Beall	Fannin	Nunn
Bennett	Fong	Pastore
Bentsen	Fulbright	Pell
Bible	Goldwater	Proxmire
Biden	Gurney	Randolph
Brock	Hansen	Ribicoff
Brooke	Haskell	Roth
Buckley	Hathaway	Schweiker
Burdick	Helms	Stafford
Byrd, Harry F., Jr.	Hollings	Stennis
Byrd, Robert C.	Hruska	Stevens
Cannon	Hughes	Symington
Case	Humphrey	Talmadge
Chiles	Jackson	Thurmond
Cook	Long	Tower
Cranston	Magnuson	Weicker
Curtis	Mansfield	Williams
	McClure	

NAYS—18

Aiken	Hatfield	McGovern
Bellmon	Huddleston	Mondale
Church	Javits	Saxbe
Griffin	Kennedy	Sparkman
Hart	Mathias	Stevenson
Hartke	McGee	Tunney

NOT VOTING—15

Clark	McClellan	Scott, William L.
Cotton	Metcalf	Taft
Eagleton	Packwood	Young
Gravel	Pearson	
Inouye	Percy	
Johnston	Scott, Hugh	

So the amendment of Mr. HARRY F. BYRD, JR., was agreed to.

Mr. HARRY F. BYRD, JR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. Mr. President, I move to lay that motion on the table.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Iowa.

Mr. TOWER. Mr. President, I yield to the Senator from West Virginia.

UNANIMOUS-CONSENT AGREEMENT ON PENDING BILL

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. There will be order in the Senate. The Senator from West Virginia may proceed.

Mr. ROBERT C. BYRD. Mr. President, at the direction of the distinguished majority leader, I propound the following unanimous-consent request:

First of all, may I ask Senators as to whether any Senator present has an amendment which he wishes to call up to the pending bill? I know that Senator MAGNUSON has an amendment, and Senator HUMPHREY has an amendment which is already clocked in; and the pending amendment, of course, is the amendment by Mr. CLARK, which would reduce funds for aircraft carriers.

Mr. STENNIS. Mr. President, does the Senator expect to finish that up this afternoon?

Mr. ROBERT C. BYRD. Yes; I do not think there is any question but that action will be completed on that one, may I say to the distinguished Senator.

If any other Senator has an amendment, this is the time to make that known, before I make the following unanimous-consent request.

Mr. McINTYRE. Mr. President, if the Senator will yield, I understand that the Senator from New York (Mr. BUCKLEY) has an amendment.

Mr. ROBERT C. BYRD. Senator BUCKLEY has an amendment; I thank the Senator.

Mr. President, I shall make the following series of requests, and I hope Senators will wait until I complete my requests before they object or ask questions, because this is a bit more difficult than the usual request.

I ask unanimous consent that time on any amendment other than the amendment by Mr. HUMPHREY and the amendment by Mr. CLARK, which is now pending, be limited to 1 hour, to be equally divided in accordance with the usual form; that time on any amendment to such amendment be limited to 30 minutes, to be equally divided in accordance with the usual form; and that time on any debatable motion or appeal in relation thereto be limited to 10 minutes, to be equally divided in accordance with the usual form.

That following the disposition of the amendment by Mr. CLARK, the amendment by Mr. BUCKLEY be called up, and that upon the disposition of the amendment by Mr. BUCKLEY, the amendment by Mr. MAGNUSON be called up.

This does not, of course, keep the Senate from switching the order of those two amendments, depending upon the convenience of the authors and the circumstances, and so on. But for the time being we will leave it in that sequence.

Provided that upon the disposition of the amendment by Mr. MAGNUSON, the distinguished Senator from Minnesota (Mr. HUMPHREY) then be recognized to call up his amendment, which will be open to an amendment in the second degree under the Senate rules;

Provided, that I may be recognized to call up a perfecting amendment to the amendment by Mr. HUMPHREY without the time having expired on the amendment by Mr. HUMPHREY, and that debate on the amendment by Mr. HUMPHREY and/or my amendment thereto be limited, today, to 1 hour on the amendment by Mr. HUMPHREY and 20 minutes on my amendment thereto;

That the bill then be put aside, if there is other business to be called up, until Monday—there will be no session tomorrow—and that upon Monday at no later than the hour of 3:30 p.m., the Senate resume debate on the Humphrey amendment and the perfecting amendment thereto, with a limitation on both, to run concurrently, of 30 minutes, to be equally divided between Mr. HUMPHREY and Mr. THURMOND;

That, at the hour of 4 o'clock p.m., a vote occur on the adoption of the Byrd perfecting amendment, to be followed immediately by a vote on the adoption of the Humphrey amendment, to be followed immediately by a vote on final passage of the bill; and

That rule XII be waived.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, and I shall not, because this agreement has been discussed with the leadership on this side and with the managers of the bill in general, I think it would be useful to the Members to say that the amendment of the Senator from Minnesota (Mr. HUMPHREY) involves a $750 million across-the-board cut, and that the perfecting amendment to be offered by the Senator from West Virginia (Mr. ROBERT C. BYRD) will be, as I understand it, a perfecting amendment to make that a $500 million cut.

I have only one concern, and that is that there is a request that there be 1 hour of debate on any other amendment. We do not know of any other amendments other than the Buckley amendment and the amendment to be offered by the Senator from Washington (Mr. MAGNUSON). That is certainly agreeable with respect to those two amendments, but I would have some concern about a 1-hour limitation on any other amendment, without knowing what those amendments might be.

Mr. ROBERT C. BYRD. May I say to the distinguished assistant Republican leader that we have ordered a sequence of amendments today.

Mr. GRIFFIN. I am aware of the fact that on Monday other amendments will not be in order.

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. I understand that, and they would have to be offered today.

Mr. ROBERT C. BYRD. But may I say that under the request, they could also not be offered today.

Mr. GRIFFIN. I see.

Mr. ROBERT C. BYRD. Because under the request the Senator from New York (Mr. BUCKLEY) would be recognized to call up his amendment on the disposition——

Mr. GRIFFIN. In other words, it applies only to those two amendments?

Mr. ROBERT C. BYRD. That is correct. Only to amendments specifically mentioned.

Mr. GRIFFIN. If that is the understanding, that is fine.

Mr. TOWER. Mr. President, reserving the right to object, I did not hear the Senator enter a unanimous-consent request on the Clark amendment.

Mr. ROBERT C. BYRD. If we can get the other things taken care of first, we will try to reduce the time on that.

Mr. TOWER. I just wanted to make sure, because I did not hear that.

Mr. GRIFFIN. Mr. President, I think this request is very acceptable, and I want to thank the majority whip for working so hard to work this out, because a majority of the Members are not able to stay until a late hour today, and too many of them would have had to miss the votes.

Mr. DOLE. Mr. President, reserving the right to object, am I to understand that no further amendments can be offered if this request is agreed to?

Mr. ROBERT C. BYRD. That was the purport of the agreement. Senators were asked if other Senators had amendments. The Senator from Kansas was not in the Chamber at the time.

Mr. DOLE. I have an amendment with the Senator from South Dakota (Mr. McGOVERN), but we think that will be accepted. We are working on the amendment with my staff now.

Mr. ROBERT C. BYRD. Allowing for that kind of contingency, then, Mr. President, we could allow 30 minutes on any amendments other than those enumerated, with the understanding that no nongermane amendments would be in order.

Mr. ABOUREZK and Mr. BUCKLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. BUCKLEY. Mr. President, is my understanding correct that the next order of business would be an amendment by Mr. CLARK?

Mr. ROBERT C. BYRD. That is the present order of business. The next order of business would be the amendment by the Senator from New York.

Mr. BUCKLEY. With a 1-hour limitation?

Mr. ROBERT C. BYRD. Yes.

Mr. BUCKLEY. I have no objection.

Mr. TOWER. Mr. President, reserving the right to object, I understand that does not involve the amendment by the Senator from Kansas, because we do not want a time limitation on amendments we do not know exist.

Mr. ROBERT C. BYRD. How much time does the Senator from Kansas want on his amendment?

Mr. DOLE. Ten minutes.

Mr. ROBERT C. BYRD. Ten minutes to be equally divided?

Mr. DOLE. Yes.

Mr. ROBERT C. BYRD. Very well.

Mr. SYMINGTON. Mr. President, reserving the right to object, there has been a considerable effort on the part of the leadership in the past to get the bill over today, and I have cooperated with some of my colleagues who stated they would like to have the bill over today; and until very recently, when the assistant majority leader was kind enough to call me in the dining room, I thought the bill would be over today with the Humphrey amendment decided on.

So may I ask my able leader to explain what I shall explain to those to whom I have stated that the bill in all probability would be over today somehow, without a Saturday session, that it is now going to be put over until Monday?

Because we have all been doing our best to accede to the wishes of the leadership so as to finish the bill at the earliest opportunity.

Mr. ROBERT C. BYRD. The able Senator has asked a question that should have been answered by me before the question was asked.

Mr. President, there are 4 hours, under the previous order, allotted to the pending amendment of Senator CLARK. It has been brought very persuasively to the attention of the leadership on this side of the aisle that unless some agreement can be entered into, putting the vote on the Humphrey amendment and final passage of the bill over until next week, any request to limit the time further on the Clark amendment will be objected to. Hence, that would mean that the Senate would have to spend 4 hours on that amendment today.

It was also pointed out that perfecting amendments were being prepared to the amendment by Senator HUMPHREY—on which there is a 2-hour limitation with a 30-minute limitation on any amendment thereto—and that those amendments would be offered ad infinitum into the evening; which would mean that if we came in tomorrow it would probably be an exercise in futility; and if we remained here until 8 or 9 o'clock tonight, we would still not be able to finish the Humphrey amendment or reach final passage of the bill.

Confronted with these circumstances, the leadership on this side of the aisle felt that it would be the better part of wisdom and be more convenient to all Senators, to accomplish the same result—insofar as final passage and action on the amendments are concerned—by entering into an agreement which would allow the Senate to work its will today on the other amendments, cut the time on the Clark amendment, and put over until Monday next the action on the Humphrey amendment and final passage of the bill.

Mr. GRIFFIN. Mr. President, the Senator from West Virginia states the situation accurately. I will be glad to accept responsibility for some of that situation.

Mr. TOWER. Mr. President, I will be glad to take part of it, too.

Mr. THURMOND. Mr. President, so will I.

Mr. ABOUREZK. Mr. President, I want to ask a question. Under the proposed unanimous-consent agreement, when will the final vote be taken today on any amendments?

Mr. ROBERT C. BYRD. That is a good question. Hopefully, there would be a reduction of time on the Clark amendment.

Mr. TOWER. Mr. President, if the Senator will yield at that point, I would be prepared to agree to 1 hour to a side on that amendment. Three and a half hours remain and we could cut that down to 2 hours. I would be prepared to agree to that.

Mr. ROBERT C. BYRD. If that will be agreeable to the Senator from Iowa (Mr. CLARK), and he is expected to be here shortly, I think we could proceed. I believe it will be agreeable to him when he gets here, and if he wants any additional time we can try to be helpful to see that he gets it.

Mr. TOWER. I would anticipate that I would yield back most of my time anyway.

Mr. ROBERT C. BYRD. That would be subject, of course, to the approval of the Senator from Iowa (Mr. CLARK). Unfortunately, he is away from the Senate under very extenuating circumstances. So, then we would be able to take up the amendment by the Senator from New York (Mr. BUCKLEY) on which there is a 1-hour time limitation. The indications are that the time thereon could be reduced. That would be followed by the Magnuson amendment on which there is a 1-hour limitation. Then there is the amendment by the Senator from Kansas (Mr. DOLE) on which there is a time limitation of 10 minutes.

Thus, so far as I know now, there would be no more amendments today. That would take up a total of 4 hours and 10 minutes, excluding rollcalls, if all of that time were taken.

Mr. ABOUREZK. Does the majority whip anticipate the foreign assistance bill coming up on Monday morning?

Mr. ROBERT C. BYRD. Yes. The majority leader has already announced that, in advance, and on more than one occasion, regarding the foreign assistance bill, upon disposition of the military procurement bill, the Senate would take up the foreign assistance bill, on which there is a time agreement already entered into. The Senate will meet at 10 o'clock on Monday next. There will be three 15 minute speeches under the orders previously entered, and then 15 minutes of morning business which would mean that by 11 o'clock, say, the Senate would take up the foreign assistance bill.

Mr. ABOUREZK. I thank the Senator very much.

Mr. JACKSON. Mr. President, could there be an understanding that we would not have any rollcall votes on that until noon?

Mr. ROBERT C. BYRD. Yes. That could easily be arranged. One o'clock?

Mr. JACKSON. One o'clock.

Mr. ROBERT C. BYRD. Because there are Senators who have to come from faraway points over the weekend and the leadership has always tried, and will continue to try to accommodate Senators by arranging the rollcall votes accordingly.

Mr. JACKSON. I hope we would be able to put off any votes prior to 1 o'clock.

Mr. CANNON. May I ask the Senator from West Virginia the reason for the delay, why we are delaying this matter until Monday rather than trying to finish the bill today, or tomorrow?

I ask that question, because it was pointed out earlier, when we were meeting to arrange the schedule, that this bill was likely to be one of the items that would hold up adjournment and, therefore, if we do not finish the bill this week-

end and have the staff prepared to get the report ready by Monday, it will mean that adjournment will be delayed approximately another week as a result of this bill's going over. So I would like to ask the reason why we are putting this over instead of going right on through and getting it finished late tonight or some time tomorrow.

Mr. ROBERT C. BYRD. Both the majority leader and I worked hard in the effort to get an agreement which would allow us to finish action on this bill today. We thought we were within reach of that goal. However, it was snatched away from us when we found out that there were Senators prepared to offer amendments to the Humphrey amendment, were prepared to object to a reduction in the time on the amendment of the Senator from Iowa (Mr. CLARK), and were also prepared from a parliamentary standpoint to force the bill over until Monday by the use of quorum calls, and so forth and so forth. So we thought it better, rather than to "spill blood" in this useless way, to try to reach an agreement under which every Senator would be spared of such waste of time and would know what the schedule would definitely be.

Mr. CANNON. That does not really answer my question. What I asked was, why the delay, why the desire to delay this matter until Monday?

Mr. TOWER. Mr. President, perhaps I can partially answer that question. The distinguished Senator from Arkansas (Mr. MCCLELLAN), the chairman of the Appropriations Committee, is ill and is unable to be here today. He wanted to be able to participate in this debate on the Humphrey amendment, because it affects the appropriations process. Some of us felt that he has that right and that we should try to accommodate him. That is the only reason.

Mr. CANNON. That is a pretty good reason.

Mr. ROBERT C. BYRD. I thank the Senator from Nevada.

Mr. CANNON. I thank the Senator from West Virginia.

Mr. HUMPHREY. Mr. President, what time will the Senate convene tomorrow?

Mr. ROBERT C. BYRD. The Senate would convene at 10 a.m. on Monday.

Mr. HUMPHREY. I am supposed to be handling the foreign assistance bill, but I cannot get back here until 11:30 a.m. on Monday. That is the best the airplane will bring me back. I would hope, as I indicated to the majority whip earlier, that we might come in at noon. I have a granddaughter who is being confirmed and I am going to be there Sunday night, the Senate notwithstanding. [Laughter.]

Mr. MANSFIELD. Make it 11 o'clock.

Mr. ROBERT C. BYRD. Mr. President, very well. I have grandchildren myself, so I have sympathy with what the Senator has said.

Mr. President, at the direction of the distinguished majority leader, may I say that the Senate will convene at 11 a.m. on Monday next. There will be three 15-minute orders, and morning business, so that the foreign assistance bill could come up at 12 noon.

Mr. HUMPHREY. My grandchild will love that.

Mr. SYMINGTON. I appreciate the majority whip's explanation to the Senate, especially those of us on this side of the aisle, which is the one I had been told about before, why it is necessary to put this bill off until Monday.

The PRESIDING OFFICER (Mr. HELMS). Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

Mr. TOWER. Mr. President, I would like to propound a unanimous-consent agreement by the Senator from West Virginia (Mr. ROBERT C. BYRD), that the remaining time on the Clark amendment be limited to 2 hours, to be equally divided and under the control of the junior Senator from Iowa and the senior Senator from Texas for the consideration of the amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. STENNIS. Mr. President, do I understand correctly that the pending amendment now is the carrier amendment?

Mr. ROBERT C. BYRD. That is correct.

Mr. STENNIS. And that the author of this amendment is not here yet but will be ready to proceed?

Mr. ROBERT C. BYRD. Well, yes, or if the Senator from New York (Mr. BUCKLEY) is ready on his amendment, we could be utilizing that time and proceed on that.

Mr. STENNIS. Inasmuch as the Senator from Iowa (Mr. CLARK) is not here yet, I do not think that I will be here much on Monday. I hope we can dispose of this carrier matter and that it does not lose its place on the list.

Mr. ROBERT C. BYRD. I appreciate the Senator's circumstances, and every effort will be made to expedite the action on the Clark amendment today.

ORDER FOR VOTES ON THE FOREIGN ASSISTANCE ACT AND SIX TREATIES ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that any vote on the Foreign Assistance Act or amendments thereto on Monday be delayed until 2:45 p.m.; that at 2:30 p.m., the Senate go into executive session to consider six treaties; that there be one rollcall vote on the six treaties, with that one rollcall vote to count for six votes, thus saving 75 minutes of the Senate's time.

The PRESIDING OFFICER (Mr. MCCLURE). Is there objection? The Chair hears none, and it is so ordered.

Mr. TOWER. Did the Senator from West Virginia propound the unanimous-consent request I suggested?

Mr. ROBERT C. BYRD. I think that when the Senator stated it, the Chair granted the request.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) 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.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on the amendment by Mr. MAGNUSON be limited to 50 minutes, with 25 minutes to be equally divided in accordance with the usual form.

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

Mr. TOWER. I yield myself such time as I may require.

Mr. President, the fiscal year 1974 budget contains $657 million, the balance of the funding for CVN–70, our fourth nuclear-powered carrier. Congress in the fiscal year 1973 budget approved $299 million for long leadtime items, basically nuclear powerplant components.

CVN–70 will be a truly impressive aircraft carrier, the most powerful, most capable ship that our technology can produce. This is a significant point, for our carrier force level has dwindled from 25 to 16 in less than 10 years. The force level is programed to drop further to 15 in fiscal year 1974. With a smaller carrier force level, it is increasingly important that the carrier force we do have is as capable as we can make it.

Even more important is the fact that when CVN–70 joins the fleet in 1981 all *Essex*- and *Midway*-class ships will have long since reached the end of their 30-year expected service lives. Our carrier force then will consist of only 12 modern, broadly capable carriers—8 oil burning *Forrestals* and 4 nuclear powered ships.

CVN–70 would be a difficult target in any future conflict. Critics like to say that the carrier is very vulnerable, to enemy submarines, bombs, or missiles. Nothing could be further from the truth. The *Nimitz*-class carriers are the best protected and least vulnerable ships ever designed. Added protection has been provided by extensive use of armor plating against bombs and guided missiles and improved antitorpedo hull design. Watertight compartmentation throughout the hull divides the ship into more than 2,000 watertight and shock-resistant compartments designed to confine damage to small areas.

Redundancy has been built into essential systems for command and control aircraft operations, ship control, ship propulsion, and damage control. CVN–70's structure is designed to provide for continuing effective offensive and defensive action while limiting damage.

The 1969 accident aboard the *Enterprise* illustrates the capability which our ship designers have provided our nuclear powered carriers. The *Enterprise* withstood the detonation of nine major caliber bombs on her flight deck. This is equivalent to about six cruise missiles. In spite of this, the ship could have operated aircraft within a few hours—after the deck was cleared. Her launching and landing capability were still intact.

When discussing survivability, critics should also remember that a carrier normally does not operate independently. The task force would consist of one or more carriers with a number of escorts dependent on the mission and the expected enemy threat. The escorts could include frigates, cruisers, destroyers, and submarines. An enemy would have an initial problem in finding the carrier task force in the vast ocean operating areas. Then, assuming that the force could be located, the enemy would have the additional problem of identifying the individual ships to determine which is the carrier as the force maneuvers, uses electronic deception and jamming, changes composition, courses, and speeds. Identification of carriers, in a pack of ships, is an immensely more difficult problem than one would think. A hostile submarine would have to maneuver to firing position, which may be extremely difficult if the carrier is moving at high speed.

Hostile air, surface, and submarine forces can be detected long before they enter the carrier's operating area. The launch of a missile can be detected by various carrier escort, and aircraft sensors. Thus, a would-be attacker must penetrate a defense in depth comprised of various combinations of aircraft, surface ships, and submarines.

The task force has a number of defenses that can engage the enemy before he launches his weapons, after they are launched, and during their flight. The first line of defense is the detection and destruction of the delivery vehicles—surface ship, submarine, or aircraft. The guided missiles themselves become the primary target in the second defensive phase. Some of these missiles are comparable in general size and performance to aircraft, and are therefore vulnerable to the task force's antiaircraft defenses. To reach the carrier, the antiship missiles must evade fighter aircraft, and then successfully penetrate the surface-to-air missile defenses of the screening guided missile ships in the task force. Finally, any surviving enemy missiles are exposed to the highly effective fire of short range, point defense missiles, and to automatic gun fire from ships of the task force.

The guided missile threat to the carrier is not a new threat. In World War II, the Japanese launched over 2,000 aircraft in kamikaze attacks against the U.S. fleet. These aircraft carried bombs which made them roughly equivalent to a modern guided missile. They were slower than modern guided missiles, but so were the weapons that we had to defeat them with, so the odds tend to balance out. Despite the fact that the Japanese launched as many kamikazes as they did, and despite the fact that the carrier was their prime objective, not a single attack carrier was sunk by them, despite the fact that their guidance system—the human brain—represents the most sophisticated guidance system possible.

Mr. President, I might add a note of personal experience. In the battle of Okinawa during World War II, I saw kamikaze aircraft hit a carrier. It damaged the carrier, but the carrier continued its launch and recover mission.

In summary, while nothing is invulnerable, the part of the world's surface that is represented by CVN–70 will be the strongest piece of real estate that we can put together. A direct hit will have predictable results on an airfield, or a city. The carrier, however, being mobile, is a much more difficult targeting problem. It appears that the logic is not lost on the Russians, as they build their first true aircraft carriers, patterned, of course, for their own specific naval strategy.

Some argue that the cost of the $956 million CVN–70 will be closer to $3 billion, because of the support vessels and aircraft which the carrier will require. But they evidently do not understand how the Navy plans its force levels. The Navy currently has in being escort and support ships and aircraft for the carriers it is now operating. CVN–70 will not increase the number of carriers in service, rather, it will replace one of our older existing carriers in order to maintain a modern carrier force. Therefore, it will not be necessary to acquire additional ships and aircraft just to support CVN–70 when it joins the fleet—though modernization of escort ships will eventually occur—regardless of the status of CVN–70.

While it is true that over the life of CVN–70 there will be other and newer aircraft fly from her decks, this factor is not a detriment but rather demonstrates the inherent flexibility and value of these vital ships. CVN–70 can accept and operate improved aircraft when they become available and are required to meet changing threats, thus maintaining a viable combat capability over a period of 30 years. Only naval forces provide this flexibility.

It is also well to note that our primary advantage over the Soviet navy lies in the sea-based air superiority provided by our carrier forces. If we allow forces to degrade due to age and obsolescence, we will have to procure many more surface escorts to keep our sea lines open—lines over which a significant part of our badly needed energy supply must travel. Without a viable carrier force, it is doubtful if these lines could be defended.

Of all the types of ships that could be built, only the aircraft carrier can operate the modern, high performance aircraft needed to maintain our sea lines against concentrated enemy attack. The sophisticated protective systems built into CVN–70 provide greater combat survivability than those for other types of surface ships. The carrier's aircraft provide a greater range and depth of defensive firepower than any other ship in the world.

Continued construction of CVN–70 represents the minimum modernization effort required to maintain a modern force of 12 aircraft carriers when she joins the fleet. As the Navy's fourth nuclear-powered aircraft carrier, CVN–70 will permit a flexible and rapid response to any contingency. Without CVN–70, the Navy will have to look to a future without sufficient airpower at sea to carry out its mission with any assurance of success.

Therefore, Mr. President, I urge that the amendment of the Senator from Iowa be rejected.

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

Mr. TOWER. I yield to the distinguished Senator from Arizona.

Mr. GOLDWATER. Mr. President, I rise to oppose the amendment by the Senator from Iowa, but I believe some explanation is necessary on my part because I have written and spoken on the subject of tactical air across this country and I have observed in my writings and in my speeches that the aircraft carrier, in my opinion, can see the end of the tunnel.

I am going to vote against the amendment because I do not believe we should stop this fourth nuclear carrier. We have to maintain the force we have and as long as the National Security Council, the President of the United States, and the Joint Chiefs see a need for carriers we should supply them with the best.

But if I remain in this body and another carrier is ever suggested, I shall not vote for it for personal reasons that I have expressed.

I feel that tactical air some day will be of such duration and the possibilities will be such that we can provide naval tactical cover by ground based fighters. So I am going to oppose the amendment of the Senator from Iowa and I shall oppose it very strongly.

When we have spent three-fourths of the money needed to build any weapons system, I do not believe it is wise to stop that system. We have had extended debate on the SAM–D and F–14; we had an attempt in the committee on the B–1. I think all of these efforts are mistakes.

The committee expressed its interest in this system. I think it is a wise expenditure. Even though I would not vote for the construction of another one, I do want to see this one completed.

Mr. TOWER. I thank the Senator for his remarks. Knowing that he is an old Air Force man, I know he is inclined from time to time to look with a jaundiced eye on the carrier forces in the Navy. I do appreciate his statements, and I am sure they will have great weight in this debate.

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

Mr. TOWER. I yield.

Mr. GOLDWATER. I know that the Senator is a Navy man and from time to time he looks with a jaundiced eye on the Air Force. I can understand that.

Mr. TOWER. Mr. President, would the Senator yield?

Mr. GOLDWATER. I might say that I have flown from aircraft carriers and I have the highest respect in the world for any aviator who takes off in these high

performance aircraft from the carrier and returns. As a ground based pilot, even if I could lose 45 years quickly, I do not know if I would have the courage to try it; I do not know if I could land it. I respect the Navy and the pilots on the carriers, but I think the carriers have had it, as far as I am concerned.

Mr. TOWER. I thank the Senator. I do not view the Air Force with a jaundiced eye. There are 25 Air Force Bases in Texas and we are delighted to have them there. I have always supported new forces for the Air Force and I shall continue to do so. We have to have the F–15 and the B–1. I certainly will support advance systems for the Air Force any time it can be demonstrated they are needed by that organization.

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

Mr. TOWER. Mr. President, I yield whatever time the distinguished Senator from Mississippi, the chairman of the committee, may request.

Mr. STENNIS. Mr. President, will the Senator yield to me for 7 minutes?

Mr. TOWER. I yield 7 minutes to the Senator from Mississippi.

Mr. STENNIS. I thank the Senator from Texas.

I can add very little, if anything, Mr. President, to what has been said already. The Senator from Texas is well versed, indeed, on this carrier. The Senator from Arizona has made a very impressive statement with respect to putting a value on this carrier.

Let me say this to Members who have not been here and who have not heard the debate and who have not had a chance, perhaps, to get into this question in depth, as much as they would like to do.

The plan was to build three modern nuclear-powered carriers. They took the name CVAN–68, CVAN–69, and CVAN–70. This is the third and last one, now designated CVAN–70. It is in the bill.

The carriers were sharply challenged and 3 years ago a joint committee of the House and the Senate was set up by a resolution, and the joint committee was directed to make an in-depth study of the facts and to make recommendations.

Those who served on the committee were the Senator from Missouri (Mr. SYMINGTON), the Senator from Washington (Mr. JACKSON), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), and the then Senator from California (Mr. Murphy). I was the other member from the Senate. The House chose Representative BENNETT, of Florida; Representative STRATTON, of New York; and then Representative STAFFORD, of Vermont, who is now a Member of this body.

A most intense study was conducted by the staff, which included additional staff members beyond the ordinary staff. Hearings were conducted. We did not confine ourselves by any means to the Department of Defense and the Navy views but carefully selected outside witnesses, people versed in this field, and took testimony. After the fullest consideration, and arguing among ourselves—we were not unanimous, as I recall; the Senator from Missouri was the only one in the minority—all others recommended that these carriers proceed. That was in April 1970, over 3 years ago, and the Congress took that recommendation—I believe one of those carriers had already had leadtime money at that time—and the first two, 68 and 69, are now under construction. Sixty-eight will be delivered September 1973 plus 6 months, and it is almost completed. That 6 months is the slippage. The second one, 69, will be delivered 21 months after the 68. And long leadtime items for the 70 have already been authorized—money spent—$299 million has been appropriated, and up to $100 million of that money could not be recovered if we do not proceed.

That is what this amendment proposes. It is very simple in its wording. It just strikes out $657 million that is in the bill now, and that is estimated to be the amount that will complete funding of this carrier.

We did delay this new carrier somewhat. We were going to save money. Some persons who were for the three new carriers thought we would delay this one and save money. The economy went the other way. Inflation hit it and the price ran up somewhat, but not in a great excess.

Based on the way I see and feel and evaluate the place of a carrier—and I am not talking about it as a military man—while the Polaris, Poseidon, and Trident are our No. 1 strategic deterrent, based on their capacity, the carrier is No. 1 of the surface instruments, as I see it, as a deterrent.

We are right in the heart of things now where we get to the deterrent.

As these carriers come and go in the Mediterranean, the North Sea, the Atlantic, the Pacific, around the Taiwan area, Japan, and elsewhere in the world—and they can be moved about, as we all know, like checkers on a board—they have a tremendous influence in the thinking of the people of those nations. We do not make threats, but even the most uninformed person in those countries knows what those carriers can do. He knows the average one carries 90 to 100 aircraft of various kinds. He knows they have a tremendous influence in the other side of the world. And as they plow through the sea with their supporting forces, I think they are the most effective deterring influence in our favor that we have and are of incomparable value in this field.

Take the Mediterranean Sea alone. Say what you will, since the end of World War II our foreign policy in that area of the world and in Western Europe has been highly successful.

I believe the carriers made a difference in the possible outbreak of wars more than once and have stabilized things. We have not abused the technical skill and knowhow which we and other nations have developed. The time will still come for the nations which have not been to the front yet, those that are not so skilled or do not have so much of their own resources.

I believe a great deal of this progress is due to the magnificent power that is ever ready, but has never been abused, as I see it, in that part of the world since World War II. These carriers have been built in light of that war.

I think we ought to put our money into the best weapons, in certain areas, that money can buy. I would rather have a few of the very best than to have many of those that might be second best. This time we have also had to cope with modern planes for the carriers. Just the other day—I could not be present myself—the Senate voted to provide money for the F–14, so that our carriers could have the best weapons as we saw it.

It is thought that with four nuclear powered carriers, we shall have two for each side of the world, if it is desired to spread them that way. But there will be three that are ready to go at any given time. All of them have to go to the shop, just like anything else that is made with human hands. But we will have three at sea at all time, as a minimum; and we will have four nuclear carriers if we want to have them at sea most of the time.

I do not see, with all deference, how anyone can say that we should turn back now and throw away the plan we adopted and agreed on after this investigation, and throw away $100 million, or approximately that.

The situation is very much the same as when we started the first three, except that we were engaged in a war in South Vietnam. These are the minimum forces. We will have a total of 12 carriers—four nuclear and a total of 12. We now have 16 carriers, but two are in the process of being retired. In the 16, we have an earlier nuclear carrier, the *Enterprise*, then 8 of the Forrestal class—a relatively modern type—and 7 of the old World War II carriers. Unquestionably that is a formidable, effective armada of strength to be a deterrent day and night, 365 days and nights of every year, except leap year, and in that case one day and one night more.

The PRESIDING OFFICER (Mr. MCCLURE). The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I rise in support of the nuclear carrier, known as CVN–70, and the Navy's fiscal 1974 fund request for $657 million. I oppose the pending amendment not only because I believe our country needs this nuclear powered aircraft carrier, but because an attempt is being made to cancel a major weapons system after the Congress indicated its approval of CVN–70 by previously authorizing and appropriating almost $300 million.

Mr. President, the merits of CVN–70 have been discussed many times in the Senate, and it may be recalled that last year during the debate on this bill a similar amendment was offered by my distinguished committee colleague, Mr. SAXBE. That particular amendment would have denied the initial funding for CVN–70 of $299 million, but it was defeated 29 to 60 on July 26, 1972. However, I might add, Mr. President, that was the proper time to debate the merits of CVN–70. It was the proper time because the program was just beginning. The end result was

that the majority of the Senate thought the program should proceed.

Now, more than a year later we find ourselves going over the same arguments on the pros and cons of CVN–70 in particular and of aircraft carriers in general. Frankly, I do not see that anything has changed the situation in any way that lessens the requirement for CVN–70. In fact, with our increasing trend toward isolationism I believe the requirement for CVN–70 has actually increased.

What really disturbs me the most is our increasing tendency to try and cancel programs long after they have been underway. For CVN–70, the cost to cancel, which includes what has been spent thus far, would not be a large amount relative to the total cost but, nevertheless, Navy estimates those costs to be between $60 and $100 million. Whatever the amount might be it would represent an expenditure of taxpayer dollars that could not be recovered. That, to me, is the wrong way to treat the taxpayer's dollars.

The proponents of the pending amendment will argue that since the entire $956 million is a wasteful expenditure, it will be worth it if we can get out of the program for only about a 10-percent loss, or $100 million.

Mr. President, I argue that the $956 million is not a wasteful expenditure and I would point out that, based on an analysis of the vote against Mr. SAXBE's amendment, 59 of my colleagues agreed that CVN–70 was necessary. This year, during consideration of the bill by the Armed Services Committee no amendments to reduce CVN–70 were offered and the full amount requested was approved. In this report the committee stated,

> Aircraft carriers are indispensable components of United States naval strength now and for the foreseeable future. The carriers provide essential sea based capability to defend the worldwide sea lanes so vital to our national economy and survival. With the reduction of overseas bases and forces, aircraft carriers operating in international waters provide a mobile capability to employ effective and credible naval power, under complete and unquestioned United States control, to meet any vital national interests.

Again, I would like to emphasize the point that the Congress as a whole after proper debate and discussion and after initially funding for a particular system or program should in subsequent years support the funding required to complete that system or program. I would qualify my observation by adding that subsequent year funding would not necessarily apply if the program incurred significant and unacceptable changes.

Regarding further justification and review of the CVN–70 program, I was privileged in 1970 to have been a member of a Joint Senate-House Armed Services Subcommittee to study the requirement for the CVAN–70 aircraft carrier. This study requirement resulted from a House-Senate conference agreement to delete from the fiscal year 1970 procurement program the procurement of the long leadtime items required for the construction of what was then known as CVAN–70.

The subcommittee was charged to—

> Jointly conduct and complete a comprehensive study and investigation of the past and projected costs and effectiveness of attack aircraft carriers and their task forces and a thorough review of the considerations which went into the decision to maintain the present number of attack carriers. The result of this comprehensive study shall be considered prior to any authorization or appropriation for the production or procurement of the nuclear aircraft carrier designated as CVAN–70.

As a consequence of the extensive hearings conducted by the special subcommittee a majority of the Senate Members and all of the House Members strongly recommended that the Congress approve the initial funding request for CVAN–70.

Mr. President, this subcommittee also made the following observations on the roles and missions of aircraft carriers that I believe are still valid today:

> The attack aircraft carrier has in the past and will into the foreseeable future, continue to perform a vital and indispensable role in insuring the control of our sea lanes essential to our commerce. Our industrial operations could not last more than a very short time if our strategic materials were to be cut off from overseas.
>
> In addition, carrier air forces are able to provide tactical air in support of land forces operating far beyond existing American air bases or where such bases have been rendered inoperative. In particular, with the current emphasis on reducing American commitments abroad in both Europe and the Pacific, the highly mobile carrier provides a unique means of providing American air power in distant locations without establishing bases and installations ashore.

Mr. President, in my judgment the Congress has long since decided on the merits and requirements for this fourth nuclear powered carrier. The question before us is not whether CVN–70 is required, but whether we are going to continue with this on again-off again funding for required weapons systems.

I feel the carrier is indispensable.

I strongly urge the Senate to reject the amendment.

Mr. President, I yield back the remainder of the time allotted to me.

Mr. TOWER. Mr. President, is the Senator from Iowa ready to make his presentation?

Mr. CLARK. I will be ready in about 2 or 3 minutes.

Mr. TOWER. Mr. President, may I inform the Senator that during his absence we got a unanimous-consent agreement to cut the time down to 2½ hours. This was conditioned upon the agreement of the Senator from Iowa. I wanted to know whether that is agreeable to the Senator from Iowa.

Mr. CLARK. Yes, it is.

Mr. TOWER. Mr. President, I yield 5 minutes to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I support the Armed Services Committee recommendation that would authorize the funds to complete the CVN–70. I am opposed to the amendment offered by the distinguished Senator from Iowa.

As I see it, it is essential that the United States have a Navy. And if we are going to have a Navy, it must be a modern Navy. That means it must be a nuclear Navy. The completion of the CVN–70 would give the Navy four nuclear-powered aircraft carriers which would be deployed, two on each coast. That is all the Navy will have in the way of nuclear-powered aircraft carriers. Even if the CVN–70 is approved, there will only be four nuclear-powered aircraft carriers. As I say, if we are going to have a Navy, we certainly should have a modern Navy. And if we are going to have a modern Navy, we must have a nuclear Navy.

The aircraft carrier is a vital element in the protection of U.S. interests. There is no viable strategy for the defense of our overseas interests that does not require the free use of the seas, and carrier-based aircraft form a critical part of the force necessary to insure that free use.

To be certain, the degree of our interests overseas, and the commitments we have throughout the world, can honestly be debated. I do not feel we can maintain our role as world policeman but neither can we withdraw to our shores. And, so long as we have interests abroad worth defending we will need tactical aircraft to defend them.

There are many times when the carrier would be the only base available either because of geography or political restraints on the use of foreign bases or restriction on overflying foreign territory.

All of us know what happened to that great American base in Libya, Wheelus Air Force Base. One day the Libyan Government said, "Get going, remove all of your aircraft, and close this base," which of course we did, and we no longer have the use of that facility.

The 6th Fleet in the Mediterranean is in a different situation from the Wheelus Air Force Base. The United States can make the decision whether to keep that 6th Fleet in the Mediterranean or to remove it. The decision is entirely ours, and I submit that the 6th Fleet is vitally important to whatever stability there is and is likely to be in the Middle East.

But the vitality and importance of the aircraft carrier goes beyond defense strategy alone.

We are a trading nation. Neither the United States nor other nations of the world can sustain their population and build better lives for their people unless there is an exchange of raw materials and finished products.

Today more goods are being shipped by sea than ever before. The shipment of oil from the Middle East is a good example. As late as the 1940's, the United States was an exporter of oil. Today we import one-third of our petroleum needs and, by 1980, it is estimated we will import 60 percent of our oil.

Trade is important to our survival. It is essential to maintain open lines of trade and that can only be done if there is a true freedom of the seas.

The completion of our four nuclear powered aircraft carriers is an essential step to assure that the United States can protect its interests overseas, and insure the freedom of the seas.

We face a major challenge to freedom of the seas and that comes from the Soviet Union. Ten years ago the Soviet

Navy—except for submarines—was a second-class naval power. At that time even its submarine force still included more than 100 World War II submarines and only a couple of nuclear-propelled submarines.

Today the Soviet Navy is the world's largest by almost any criteria. It operates approximately the same number of surface warships as the U.S. Navy, considerably more submarines—including more nuclear powered submarines, more small ships and about as many amphibious vessels.

I believe that the Russian naval forces are part of a major Soviet effort to use the sea for economic, political, and military purposes.

Not only has the Russian bear learned to swim, but he is making a big splash—in the Mediterranean, in the Indian Ocean, and increasingly all around the globe.

During the past decade the Soviets have put to sea more new classes and more numbers of surface warships than any other nation; and more new classes and more numbers of submarines—including again nuclear submarines—than any other nation.

The trends in Russian development of naval power must be watched closely.

Clearly the importance of a strong modern Navy is not only based on sound military judgment but also on sound economic and political judgments.

I have never supported a blank check policy for Pentagon projects. I supported, in committee, cuts of nearly 2 billion from the military procurement authorization proposal.

I have said many times we must cut the fat but leave the muscle in the defense budget.

The nuclear aircraft carrier represents some of our strongest muscle in the defense budget.

I say again, Mr. President, that if we are going to have a Navy, it is vitally important that we have a modern Navy. If we are going to have a modern Navy, we must have nuclear-powered aircraft carriers, and even with the completion of CVN–70, we would have only four nuclear-powered aircraft carriers.

I thank the Senator from Texas.

The PRESIDING OFFICER. Who yields time?

Mr. CLARK. Mr. President, I would like to take just a moment to thank the leadership, and particularly the majority whip, for their cooperation in scheduling this amendment. We planned to bring it to the floor earlier this week, but due to a death in my family that was prevented. I would particularly like to express my thanks to the leadership and to the Senate for their cooperation and their kindness.

For the last 10 days, the Senate of the United States has spent virtually all of the time on the military procurement bill, the annual authorization for research, development, and construction of new aircraft, ships, and missiles for the military. Now, we have about reached the end of our work on it. This amendment—to save $657 million by eliminating the Navy's request to build a fourth nuclear carrier, CVN–70—will be one of the last amendments offered to the bill. Before we begin discussing it though, perhaps we ought to pause briefly to take stock of things, to see what has happened here with this legislation.

The military procurement bill began as a $22 billion request by the administration for military hardware. Under the able leadership of its acting chairman (Mr. SYMINGTON), the Senate Armed Services Committee reduced that request by $1.5 billion, as did the House of Representatives, leaving this authorization bill of $20.4 billion before us today.

The reductions in military spending recommended by the Armed Services Committee were significant, although it should be said that its effect on the overall military budget is minimal. The committee slowed down the B–1 manned bomber program, reduced manpower levels by 7 percent, and took steps to save money on other weapons programs. But in some areas, often by very close votes, the committee accepted the military's proposals without change. Those decisions led some of us to offer amendments to the bill.

In each case, our differences with the military's proposals have been based on sincere and honest differences of opinion. In each case, a particular program or request has been challenged because many of us have felt that it is inefficient or wasteful, or just not necessary this year.

Ten days ago, many of us had high expectations for the success of at least some of those amendments. The President had made such a point of the desperate need to cut Federal spending to control inflation. The Congress had made such a point of exercising fiscal responsibility—and restraint. The people had made such a point to me and to my colleagues of expecting a dividend from the SALT talks and the end of the terrible American war in Southeast Asia.

Standing here today, 10 days later, after a great many speeches and a great many votes, I cannot help but feel disappointed.

One by one, the amendments to reduce military spending came to the floor, and, one by one, they were defeated—from Senator HUGHES' proposal on the A–10 to Senator MCINTYRE's proposal on the Trident missile submarine, defeated yesterday by just two votes.

The day before, after a switch of 4 votes in a few hours, the Mansfield amendment for troop reductions failed like all the others. As each amendment failed, the Senate lost another opportunity to keep the budget under control.

While all of this was happening, the Senate approved an amendment that actually increased the military spending authorization by $495 million. And so, perhaps for the first time, the Senate has been left with legislation that authorizes more money for military spending than the Armed Services Committee had recommended and more money than the House of Representatives had approved.

When final passage comes on Monday, I think the American people will be very surprised—surprised and disappointed. Critics of the Armed Services Committee over the years have said the committee was "hawkish." But this year, compared with the Senate as a whole, that certainly is not the case. This year, the Senate has actually authorized more military spending than the committee recommended.

The United States is the most awesome military power in the history of the world. That position should not be allowed to change—this country should be second to none—but we can maintain military superiority without inefficiency, without wasting money, simply by getting the best possible return for every dollar spent on defense.

That just means spending wisely.

The security of this country cannot be measured only by the number of dollars spent each year on new weapons. It must include far more. Two weeks ago, the acting chairman of the Senate Armed Services Committee (Mr. SYMINGTON) emphasized that when he went before the Appropriations Committee to testify on military spending.

At one point, he said:

> There can be no more dangerous assumption than a policy based on a conviction that this Nation continues to have unlimited resources. If we do not recognize, now, that our resources are becoming increasingly limited, and impose a sense of discipline on such institutions as our armed services, not only are we certain to damage our economy, but we will also further reduce the people's confidence in government.

Perhaps there was a time when this country could afford to be extravagant, but it is not this year—not when Federal spending has to be reduced, not when the only alternative is a tax increase, not when the country has taken such strides forward with SALT and the end of the war, and not when there are so many domestic problems that need solutions.

Yet, months of incredible progress in the search for peace have been followed by a $4 billion increase in the military budget. Months of intense pressure to reduce spending on domestic programs have been followed by relatively little effort to reduce military spending.

The President's policy of détente with the Soviet Union and the People's Republic of China has the country's strong support. The "Nixon Doctrine," the SALT talks and disarmament conferences, the discussions of mutual balance force reductions in Europe—all of these have been important initiatives, and we have heard them hailed as the beginnings of a "generation of peace."

But that slogan is beginning to have the hollow ring of an empty promise, especially when considered in light of the military spending request for fiscal 1974. It is more now than it was at the height of the Vietnam war.

Where are the benefits of peace, the benefits of détente? Can we accept the declaration of a "new era of peace" while voting for awesome expenditures for expensive weapons systems that may turn out to be unnecessary and inefficient? Mr. President, I did not realize that peace could be that expensive.

The people in this country know that the economy is in terrible shape. They know that the military budget has never been higher, they know about the cost

overruns and the waste in the past, and every person who has ever served in the military knows of the waste firsthand. Yet despite this, we all know that the United States already has the power to destroy every city with a population of more than 20,000 in the Soviet Union 3 times over with nuclear weapons.

Mr. President, they know it, too, and I cannot help but think that they are going to be a bit disappointed with us.

This amendment will be one of the very last opportunities the Senate has to reduce the military procurement authorization responsibly and save some money. I hope that the Senate takes that opportunity.

I hope that in the next few hours, we all take a hard look at this specific proposal, because that kind of intense scrutiny is our responsibility. The President has challenged Congress to hold the line on Federal spending. Well, we have done better than that before—Congress has cut spending below the President's request every year for the last 4 years—and I still think we can do better this year.

We have talked about it here for 9 months, loudly and clearly. Now the time has come to fulfill our promise.

If we are not successful in reducing military expenditures—which, after all, are the single biggest controllable item in the Federal budget—then it will be difficult, indeed, for Congress to meet its own spending ceiling. This is a challenge that we have set for ourselves, and unless the challenge is met, the administration may well be justified in its charge that the Congress is "budget busting."

I am not a member of the Armed Services Committee, and like 12 of my colleagues, I am new around here. But over the last few months, I have tried to take a hard look at the major weapons proposals. The military has been more than cooperative in responding to my questions and inquiries. We spent hours discussing the merits of the B–1 and Trident, for example, with the men responsible for managing those projects.

After all of these discussions, and some additional research and thought, I concluded that this country could do without some of the military's proposals this year. So, I have voted to reduce funds for the Trident program and the A–10 and the F–14, because in my judgment they are not worth what they are going to cost the American taxpayer, because in my judgment we can cut more than $1.5 billion from the President's budget request, as the Armed Services Committee suggested, and then some, without sacrificing a strong national defense.

It is for those reasons that I am offering this amendment to stop construction of the CVN–70 nuclear aircraft carrier.

AIRCRAFT CARRIERS: SOME PERSPECTIVE

It is impossible to discuss the merits of one aircraft carrier without discussing the merits of aircraft carriers in general, and for the military historian that is a fascinating study.

The aircraft carrier is a relatively new weapon that began, as many weapons do, with innovation and boldness. A civilian made the first aircraft landing on a ship in 1910. Putting his Curtis biplane down on a wooden platform that had been rigged on the battleship *Pennsylvania*. The platform cost $500.

Naval experts did not pay much attention to it then—Admiral Dewey thought it was a waste of time—but by 1920, the Navy had its first real "aircraft carrier," a converted ship called the *Langley*. (The Navy bought the arresting gear for the carrier from the British for $40,000.)

By 1941 though, the aircraft carrier had started to establish itself in the Navy. There were 27 aircraft carriers in operation or under construction then. In the next 5 years, the number grew to 98, and there was never a doubt that the aircraft carrier was the backbone of the World War II fleet. The outcome of the war in the Pacific turned on their success. At Midway Island, in the Coral Sea, in the Philippine Sea, in naval battles across the Pacific, the firepower provided by naval aircraft and aircraft carriers against the Japanese fleet with its carriers was awesome.

Again, in Korea, and most recently during the war in Southeast Asia, the aircraft carrier played an important role in this country's military effort, bombing enemy ground targets in the absence of naval opposition.

The Navy should be proud of the carrier's distinguished record. Innumerable times, before innumerable committees of the Congress, Navy spokesmen have pointed out the carrier's role in a variety of "crisis" situations, and they have been right because the aircraft carrier has served this country well.

Only 2 days ago, the Skylab astronauts came back to earth, and it was a small aircraft carrier that went to pick them out of the sea.

But, Mr. President, the past value of the aircraft carrier is not at issue today. Nor do I question the value of having aircraft carriers, because they are an important part of the fleet. Times have changed though, and with them the role and the usefulness and the effectiveness of the aircraft carrier has changed. So, we have to reevaluate them as weapons, and the CVN–70 is the place to begin.

Right now and in the years ahead, what is the purpose of an aircraft carrier? What is the best kind? How many does this country need? Can we afford to build one this year? The answers to those questions and others like them ought to help determine the outcome of the Senate's decision on this amendment to delete the funds for the CVN–170.

SOME VITAL STATISTICS

Before we go much farther, everyone should understand what a CVN–70 is: How big it is and what it could do.

The CVN–70 would be this country's fourth nuclear-powered aircraft carrier. The first nuclear-powered carrier, *Enterprise*, was commissioned in 1961. The two others, *Dwight D. Eisenhower* and *Nimitz* are being built and won't join the fleet for several years.

If it is built, the CVN–70 will be very similar to *Nimitz* except, of course, in its cost—which will be almost double.

CVN–70 will displace about 94,400 tons. It will be longer than three football fields, and it will take more than 5,000 people to make it work correctly.

Scheduled for completion late in 1980, the CVN–70 will be the most modern, the most versatile, the fastest, the best equipped aircraft carrier in history. It will have more sophisticated aircraft, better damage control and armor plating, more back-up systems, and greater fuel and ordnance capacity than anything that has ever floated. But that does not mean it should be built this year, this way.

At issue is not its capability, but rather its desirability.

LEGISLATIVE HISTORY

That desirability has been questioned before—during the CVN–70 project's 7 years of stormy history. It first was announced in January of 1966 when then Secretary of Defense Robert McNamara said the Navy needed three nuclear-powered attack carriers, in addition to the *Enterprise*. Congress authorized construction of the first two carriers—and then hesitated.

It ordered a joint committee to study the need for a fourth nuclear carrier and, in April of 1970, the committee recommended that Congress approve funding for long-lead items for the carrier.

By then though, there was a great deal of dispute within the executive branch over the need for CVN–70, and both in 1971 and in 1972, the administration refused to formally request money for construction. So, Congress did not consider a CVN–70 authorization until the administration had made up its mind about the carrier proposal, and that did not occur until February 1972, when then Secretary of Defense Melvin Laird asked for $299 million in the fiscal 1973 budget. It would be used for development and initial construction of the nuclear powerplant for the CVN–70.

A year later, Deputy Secretary of Defense David Packard summarized the hesitancy within the executive branch over the carrier proposal during an NBC news documentary on the CVN–70. Packard said:

> The carrier has a useful function in certain types of show of force or application of its force around the world. It's not very important in our nuclear deterrent posture.
>
> It's not very important in our sea control, so it's just a question of balancing these priorities. So the carrier has a limited role and that's why I came up with the feeling that probably in terms of absolute priorities, our nuclear attack submarines would come higher than a carrier.

It was a matter of priorities. And there was that same kind of sentiment in the Senate last year when Senator SAXBE led a fight to have the $299 million request deleted from the fiscal 1973 authorization bill. The Senate Armed Services Committee had approved the request by a vote of 12–3. Senator SAXBE challenged it on the floor and lost 29–60. A similar challenge in the House of Representatives last month was no more successful.

So, the CVN–70 has never been a matter of unanimous consent. It has had the serious and concerned critics—within both the legislative and executive branches of the Government. If the CVN–70 was a questionable proposal last year at $299 million, it is even more questionable this year at twice the price.

Mr. President, I think it is important to note that throughout the years of legislative controversy over the CVN–70, the distinguished Senator from Mississippi, the chairman of the Armed Services Committee (Mr. STENNIS), has been extraordinarily fair and patient with the opponents of the project, as he has been extraordinarily fair and patient with me.

I can say to him only that I appreciate that courtesy very much—and that I may be the last opponent of the CVN–70.

If the Senate defeats this amendment today, this country will have a fourth nuclear aircraft carrier, CVN–70, and it will cost us about $3 billion to put it in operation.

THE COST: $3 BILLION

Mr. President, I know that every year about this time, Congress finds itself in the middle of this thicket—the military's annual budget.

First comes the barrage of witnesses from the Air Force, the Army, and the Navy who explain to the Armed Services Committee and the Appropriations Committee of the Senate and the House why they need so much money. Then come committee deliberations and committee votes, and finally, the bills themselves arrive on the floor. It is a long and complicated process and very much a rite of fall in Washington, D.C.

In the past, few Congressmen even bothered to complain about anything in the military's budget. The spending recommendations went from the Pentagon to the White House and from the White House to the Congress. With few exceptions, Congress approved them all without such questions, and it was not unusual for the military to end up with more spending money than it had asked for in the first place.

Times are changing though, but ever so gradually. Twelve years of war in Southeast Asia are partly responsible for the change and so is the growing realization that the American taxpayer does not possess limitless wealth. Members of Congress are questioning the military's proposals more often now, both in committee and on the floor, but as I said earlier, we haven't been very successful.

That, too, might change if Congress as a whole did a better job of analyzing the budget request, if we realized exactly what we are being asked to authorize.

The CVN–70 is a case in point.

In the Senate Armed Services Committee report, the request for the aircraft carrier reads simply "CVN aircraft carrier, Nuclear $657 million." Last year, the same line carried the figure $299 million. Congress approved it, and initial construction of long lead items began. The strong implication is that these figures represent the total cost of one CVN aircraft carrier—nuclear—but these figures are only the beginning.

To start with, there will be an additional $16 million or so for outfitting the ship after it has been built, according to the Navy's estimates, and outfitting brings the cost to just under $1 billion. For that price, the country gets the largest ship in the world—but an empty ship.

An aircraft carrier without aircraft cannot be very useful. If it is constructed, CVN–70 will carry just over 100 sophisticated airplanes, including 24 of the new F–14 jets. The initial cost alone for these planes—fighters, attack planes, tankers, electronic warfare aircraft, reconnaissance and antisubmarine warfare planes—will come to just under $1 billion altogether. Now we are up to $2 billion.

Whatever its strengths or weaknesses as a tactical weapon, a 94,000-ton aircraft carrier is not unobtrusive. It is relatively easy to find, especially in a small area like the Mediterranean Sea. So, it needs protection. Right now, the Navy assigns a number of escorts—usually four to six destroyers—to each aircraft carrier and, together, they form a task force.

If this country is going to build another big aircraft carrier, it ought to be nuclear powered, because nuclear power gives the ship significant advantages in speed and range. However, if the escort vessels are not also powered by nuclear engines, those advantages will be of little use, and the carrier cannot be totally effective.

Four nuclear escorts for the CVN–70 will cost more than $1 billion. That is a third billion. The Navy presently has only two nuclear frigates in commission. Five more are under construction or will be soon, and there is authority in this bill for two more.

That adds up to nine, but as the House Armed Services Committee noted in its report, if the CVN–70 is built, "a minimum of 16 escorts is needed—because of the obvious requirement for additional nuclear-powered frigates to accompany our nuclear-powered aircraft carriers."

The cost for all of this will be staggering. But the importance of nuclear-powered escorts for the CVN–70 cannot be overemphasized.

Without nuclear escorts, a nuclear carrier loses many of its advantages, especially time, and nuclear escorts cost a great deal of money.

Counting the construction cost, the cost of providing the planes, and the expense of building nuclear escorts, the total price tag for CVN–70 comes to $3 billion. That is more than twice the amount of the State budget for all of Iowa last year.

Of course, all of this assumes that the cost estimates for the aircraft carrier, its planes, and escorts hold firm. Experience has taught us not to count on that. Last year, the General Accounting Office took a look at the two nuclear carriers presently under construction and found that the combined cost of the two—*Dwight D. Eisenhower* and *Nimitz*—had gone up $833.3 million over the original Navy planning estimate. Even at that, the cost of CVN–70 alone will be almost double the cost of the *Nimitz*.

Even at $3 billion, the bill still is not paid; $3 billion does not cover the salaries of the 5,000 people aboard CVN–70. It does not cover maintenance, and maintenance of a carrier is the most expensive maintenance in the Navy. It does not provide the money to replace the aircraft on the carrier every 6 years, their normal life.

For the lifespan of this one aircraft carrier, which the Navy estimates at 30 years, the real cost will exceed $10 billion. A table prepared by the Center for Defense Information provides a good picture of the true price of CVN–70.

Costs of CVN–70 over 30 years—$10 billion [1]

Carrier procurement	$972,000,000
Aircraft procurement [2]	4,103,200,000
Escort ships procurement [3]	1,088,400,000
Task force operation and maintenance (30 years) [4]	4,218,000,000
30-year total cost	10,381,600,000

[1] In constant FY 1973 dollars.
[2] Four full buys of F–14's, A–7E's and A–6E's; and 3 buys of all other aircraft.
[3] Cost of 4 nuclear-powered escorts.
[4] $140.6 million per year.

Mr. CLARK. It does not make good sense to spend that much money for one ship, especially since the United States still will have 12 aircraft carriers in 1981. Three of them nuclear-powered. Using all of that money to build a single aircraft carrier obviously means it can not be used on other projects and programs, domestic and military programs. Comdr. Roy Beavers, U.S. Navy, retired, a former member of the staff of the Chief of Naval Operations, summarized the problem very clearly:

> I'm concerned that if we make too many of these big heavy investments in the traditional carrier-type Navy, we're not going to have the resources to make these investments of a new kind that we need for the submarine underseas war.

These kinds of choices are the most difficult decisions Congress has to make. But they also are the most important. When the Senate voted yesterday to move rapidly forward with the Trident submarine, it made that decision. Yesterday, this body decided to go ahead with what Commander Beavers called the new kind of investment. That decision makes it all the more imperative that we hold up on the old type investment, the aircraft carrier. This country cannot afford everything that the military proposes.

This is the point: As Congress considers the budget for fiscal 1974, it is doing far more than allocating money for next year.

It is spending money that is not in the treasury yet, money that taxpayers have not even earned yet. A decision to build weapons today will affect Federal spending and inflation for years and years into the future.

The Brookings Institution has estimated that military spending will exceed $100 billion in the next 5 years. Whether or not that actually will happen depends to a great extent on what Congress does and has done in the last 10 days—on the new weapons systems outlined in the military procurement bill before us now and on the Department of Defense appropriations bill next month.

There has been a great deal of discussion throughout this year about the need to reform the way Congress considers the Federal Government's budget. The discussion often focuses on changing the committee structure and making more information available to Congress so it can make enlightened decisions, but if Congress is really to assert control of

Federal spending, it is necessary to look beyond the confines of a particular budget. Every Federal budget is restricted by the fiscal year, but the impact of that Federal budget is not.

And if the Senate approves the $657 million for the aircraft carrier this year, the country will still be paying for it in the year 2010.

Perhaps, Mr. President, we could accept that staggering cost, with its terrible impact on inflation, if the CVN–70 offered an excellent return on the $3 billion investment. But the return is not excellent—it is questionable at best.

A 94,000-ton aircraft carrier is terribly vulnerable. Smaller and less expensive ships can do the job better, and even if the aircraft carrier is still an extremely effective and useful ship, this country already has enough of them. We do not need another one—not now, not at $3 billion.

THE AIRCRAFT CARRIER'S PURPOSE

The Navy has told us that the aircraft carrier has two major roles in peacetime: to control the seas and to project U.S. military power abroad.

At best, the use of aircraft carriers to project power by "showing the flag" is questionable. At worst, it is dangerous. This administration has emphasized wisely that Pax Americana is no longer a legitimate aim of foreign policy. It is no longer useful to have the fleet steam into Manila Bay. My distinguished colleague from Arkansas (Mr. FULBRIGHT) has spoken on occasion about the "role" of the aircraft carrier in executing foreign policy:

> It is true that it is a precision instrument of diplomacy, if the diplomacy is to be directed toward the intimidation and coercion of smaller countries around the world . . . the aircraft carrier would be an incentive, would tend to induce intervention in many places where, with a little passage of time and patience, there would be no need to intervene.

If the U.S. Navy is strong and able, every country in the world is going to know about it. The strength and ability cannot be based on the illusion of power that comes with the display of large ships. The power and effectiveness must be real. Besides, if the Navy really is interested in flexing its muscles in public, all it needs to do is have a Polaris submarine "show the flag." After all, a Polaris represents strategic nuclear deterrence. At best, the carrier is a tactical weapon, not even part of that deterrent force.

A second fundamental use for aircraft carriers, the Navy contends, is helping to keep the sea lanes open. No one disputes the need to do that. We depend on free and open naval commerce for oil and countless other essential products. So, the question is not whether to control the sea lanes but how best to do it.

Aircraft carriers can help do the job, but there are other weapons systems as capable or more capable of doing it. Every year, for the last 3 years, The Brookings Institution has analyzed the Federal budget and published its results in a remarkable series of books, "Setting National Priorities." The Brookings Institution's 1972 report discussed the alternatives to building more big aircraft carriers:

> Virtually all of the missions can be performed at least to some extent by forces other than carriers—land based fighter attack and ASW aircraft and submarines, for example.

The advocates of the CVN–70 cite this country's response to the 1970 Jordanian crisis as an example of the unique ability of aircraft carriers. Without engaging in a debate over the wisdom or effectiveness of sending an aircraft carrier to respond to that situation, it is enough to say that if this amendment passed, there still will be a 6th fleet with aircraft carriers in the Mediterranean. And the fleet and the carriers will be no less effective than they are today.

At issue here is not whether to eliminate aircraft carriers but whether to add another one—at a cost of $3 billion.

The aircraft carrier at one time was the backbone of the fleet. But the outcome of nuclear or conventional wars at sea no longer will depend on the effectiveness and firepower of aircraft carriers. The incredible advances in submarine technology—with a corresponding lag in anti-submarine warfare—have made the submarine master of the sea. If there is a "backbone" of the Navy, it is the submarine, not the aircraft carrier. Both as a tactical and strategic weapon, the submarine has replaced the carrier as the dominant naval force.

The U.S. Navy and the Soviet Navy have recognized that. The Soviet Navy though has put away its pretensions about the importance of surface ships as offensive weapons, while we apparently have not. In the July 1972, issue of the proceedings of the U.S. Naval Institute Comdr. Roy Beavers questioned the modern role of the aircraft carrier:

> Is it going to take a war at sea to prove that the U.S. Navy's capital ship—the aircraft carrier, though defended by its costly retinue of escorts and umbrella of manned aircraft—is ill-suited to contest command of the seas emanating from the capital ship of the Soviet Navy, the attack submarine?

It is a provocative question, and I hope there are better ways to find the answer.

HOW VULNERABLE IS IT?

Mr. President, during the debate on the CVN–70 proposal in the Senate last year, much of the controversy turned on the "vulnerability" of an aircraft carrier. My distinguished colleague from Ohio (Mr. SAXBE) summarized one side of the argument succinctly and graphically:

> Obviously, we are pricing ourselves out of business, $10 billion down the hole with a carrier that can be sunk by a motorboat.

Needless to say, the Navy disputes that contention. But it is indisputable that surface ships are very vulnerable in an age of nuclear attack submarines, reconnaissance satellites, and surface-to-surface guided missiles—the kind that sunk the Israeli destroyer *Eilat* in the Mediterranean Sea more than 5 years ago. And of all the surface ships, the aircraft carrier is the biggest.

At least where the aircraft carrier is concerned, the issue of vulnerability carries with it two separate questions. First, can the aircraft carrier be sunk easily? And second, can the aircraft carrier be put out of action easily?

On the first question, the Navy makes a good case. If the CVN–70 is built, it will carry the latest in defensive and safety measures. It will have special armor plating along its hull. In short, it would be difficult to sink during a conventional war. Of course, in a nuclear war, the aircraft carrier, like every other surface ship, simply wouldn't have a chance.

The second question—can the aircraft carrier be put out of action easily?—is not disposed of so readily. To be effective, the aircraft carrier must be able to launch and recover its aircraft. It has a flight deck to do that, but as the experiences of World War II have indicated, a few bombs—today, perhaps a few missiles—on the flight deck will force the aircraft carrier out of action, because it cannot launch or recover its aircraft. The 1972 Brookings Institution study on the aircraft carrier emphasized the problem:

> In the Second World War, 60 percent of the carriers that took one hit by a kamikaze and all carriers that were hit more than once were forced to return to port for repairs . . . making ample allowance for improvements in damage control since World War Two, it is estimated that four or five hits by Soviet air-to-surface missiles (ASMs) would force a carrier to retire . . . since only a few hits on a carrier would force it to retire, it seems unlikely that carriers could be successfully defended. . . .

And the Brookings report concluded that "technology and other developments in recent years have made the aircraft carriers more, rather than less, vulnerable."

In response to all of this, the Navy points out that it did not lose a single carrier to land-based aircraft during all of World War II and that, since then, not a single carrier has been lost, period. But those arguments ignore one fundamental point: Since World War II, U.S. aircraft carriers have never been opposed or seriously threatened by an enemy, not in Korea, not in Lebanon, not in Jordan, and not in Southeast Asia. The enemy rarely had the ability, let alone the desire, to attack them.

Assuming for the moment that there might ever be a conventional war at sea with the Soviet Union—and that assumption is highly questionable—U.S. aircraft carriers would be faced with serious opposition for the first time, opposition from submarines, patrol boats, and land-based aircraft. To respond to that threat, the aircraft carrier would have to use a very large percentage of its resources, aircraft and escort vessels, for defense. That very obviously limits its effectiveness as a tactical weapon.

The problem is particularly acute in areas like the Mediterranean where it is difficult to hide and where Soviet submarines, patrol boats, and land-based aircraft can easily strike at U.S. aircraft carriers. The recent developments in

technology and Soviet naval deployment led Brookings to conclude in its latest report that the carrier would not do this country much good in a conventional war with the Soviet Union:

In practice, carriers probably would not be used at all, or at most in ancillary operations, against land targets . . . thus the United States is likely to need fewer carriers for the projection (of power) mission in the 1980's. . .

Vulnerability cannot be separated from cost. Every surface ship—no matter how expensive or well-armored—can be sunk. Every surface ship can be put out of action and forced to retire. So, in this area as with so many others, it becomes a question of worth. How great a degree of survivability does this weapons system provide and at what price?

Even if the chances of a nuclear aircraft carrier's survival in a conventional or a nuclear war are 50–50 or better, we still must pause before committing $3 billion and 5,000 lives on those odds.

HOW MANY CARRIERS DO WE NEED?

Mr. President, there is one more vitally important question that remains to be discussed and answered. If we accept the Navy's argument about vulnerability, if we accept the contention that a 94,000-ton aircraft carrier is "uniquely" suited for the job it is supposed to do, and even if we agree that $3 billion is a reasonable price to pay for it, the CVN–70 still is not justified. By voting for this amendment and against the CVN–70, the Senate will not be voting against the aircraft carrier as a concept or as a naval weapons system. Right now, today, this country has 14 major aircraft carriers and 2 antisubmarine warfare—ASW—carriers. Given that force level, we do not need, and we cannot afford, another one.

The fluctuations in the number of aircraft carriers in the U.S. Fleet over the years make an interesting study. At the beginning of World War II, there were seven in operation. At its end, there were almost 100. The number of carriers had dropped to 7 by the time the conflict in Korea began, but 13 years later, in 1965, the United States had 24. Now, there are 14, and if the CVN–70 is not built, this country still will have 12 aircraft carriers in 1981—3 of them nuclear powered.

The Navy has provided a chart on the makeup of the current carrier force, and I ask unanimous consent to have the chart printed in the RECORD.

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

Mr. CLARK. At committee hearing after committee hearing, the Navy has emphasized the need for a minimum carrier force of 12. The service would have preferred 15 carriers but, as the Navy has conceded, that is not practically or financially feasible. However, without CVN–70, the Navy still will have a force of 12 carriers by 1981, the year CVN–70 would go into operation. As the chart indicates, 11 aircraft carriers—from the *Eisenhower*, the newest, to the *Forrestal*, the oldest—will be "modern," by the Navy's own definition. The 12th aircraft carrier, *Midway*, was built just after the war, but it recently has been overhauled and modernized.

Name	Number	Commissioning date	Age as of July 1, 1973	Age as of July 1, 1981 if CVN–70 is built
Dwight Eisenhower	CVAN–69	1976	----------	6
Nimitz	CVAN–68	1974	----------	8
John F. Kennedy	CVA–67	Sept. 7, 1968	5	14
America	CVA–66	Jan. 23, 1965	8	17
Enterprise	CVAN–65	Nov. 25, 1961	12	21
Constellation	CVA–64	Oct. 27, 1961	12	21
Kitty Hawk	CV–63	Apr. 29, 1961	12	21
Independence	CV–62	Jan. 10, 1959	14	23
Ranger	CVA–61	Aug. 10, 1957	16	25
Saratoga	CV–60	Apr. 14, 1956	17	26
Forrestal	CVA–59	Oct. 1, 1955	18	27
Coral Sea	CVA–43	Oct. 1, 1947	26	*35
Franklin D. Roosevelt	CVA–42	Oct. 27, 1945	28	*37
Midway	CVA–41	Sept. 10, 1945	28	*37
Oriskany	CVA–34	Sept. 25, 1950 [1]	23	*31
Hancock	CVA–19	Apr. 15, 1944	29	*38
Ticonderoga [2]	CVS–14	May 8, 1944	29	*39
Intrepid [2]	CVS–11	Aug. 16, 1943	30	*38

[1] Oriskany (CVA–34) was launched Oct. 13, 1945. Construction suspended 2 years. Rushed to completion for Korean war.

[2] Plans for retirement in fiscal year 1974 have been announced.

* Beyond expected service life.

The status of the *Midway*—and its effectiveness into the 1980's—was the subject of a great deal of controversy during a debate on an amendment similar to this one last year. *Midway* was overhauled and partially rebuilt 2 years ago at a cost of $197.2 million. The conversion included new deck-edge elevators, new catapaults and arresting gear, a larger angled flight deck, and a variety of other improvements. When *Midway* rejoined the fleet, the Navy was rather proud, and it issued a press release which read, in part:

Midway's conversion was the most comprehensive modernization ever made to a U.S. Navy ship. She will be capable of handling the largest and most complex aircraft and weapons systems in the Navy's arsenal *through the 1980's*—emphasis added.

Since then, the Navy has changed its mind, arguing that *Midway* cannot be counted on after 1981 when it will be over 35 years old, and the Navy changed its mind about *Midway* only when the CVN–70 proposal became controversial.

The Navy has had excellent success with other conversion and modernization programs, and there is no sound reason for selling *Midway* short. No one would argue that *Midway* will be as fast or as versatile or as capable as a brand new CVN–70. Of course, it would not.

But to argue that *Midway* can never be as good as CVN–70 begs the question. The real issue before us is not *Midway*, but rather we, as a Nation, can afford to spend $3 billion to build another giant aircraft carrier when we already have 14, when we still have 12 in the next decade.

Midway and CVN–70 aside, there is a great and unresolved controversy over whether even 12 carriers are necessary. The Navy repeatedly has said that it needs 12 carriers—four of them nuclear-powered—but it never really has explained why it needs 12. Why not 13? Why not 11 or 9, as some naval experts have suggested and recommended? Why is the number 12 so magical when it is connected with aircraft carriers?

Of the 14 U.S. aircraft carriers, 10 are on patrol right now. *Oriskany*, *Midway*, *Kitty Hawk* are in the eastern and central Pacific. *Hancock* and *Coral Sea* are in the South China Sea—*Constellation* in the Philippine Sea. The *Roosevelt* and *John F. Kennedy* are in the Atlantic on their way to and from Mediterranean patrol. The *Independence* is in the Mediterranean, *America* is cruising off Norfolk, Va. Four other carriers are tied up: *Enterprise* and *Saratoga* in overhaul, *Ranger* and *Forrestal* in port.

The Navy says that these aircraft carriers perform a variety of essential services—"controlling" the seas, projecting U.S. military power by "showing the flag," and maintaining American presence overseas. Accepting, for the moment, the need for those services, the question still remains: Why does it take 12 aircraft carriers, four of them nuclear-powered, to perform those services?

For the purposes the Navy describes, an 11-carrier force in the 1980's will be sufficient, and a 9-carrier force might be able to do the job as well. The burden of proving the necessity for 12 aircraft carriers rests with the Navy, and so far at least, the Navy has not made its case.

As part of its analyses, the Brookings Institution has outlined 3 broad carrier force level alternatives, including force levels of 9 carriers and 11 or 12 carriers.

Brookings sets the minimum number of aircraft carriers at nine, as its 1973 fiscal year report said:

. . . on the assumption that this force would be adequate from now throughout the 1980's.

The report goes on to say:

This policy would assume that carriers would not be usable against land targets in a war with the U.S.S.R. and that nine carriers would be sufficient for other missions in a war in which the U.S.S.R. was involved, for other types of wars, and for peacetime political and crisis needs.

The Brookings report notes that, as a rule of thumb, it takes three carriers in the force to maintain one carrier continuously on station. The backup carriers make crew rotation and maintenance possible. "On this basis," the Brookings report concludes:

The force level on nine would allow one carrier to be continuously on station in the Mediterranean and two in western Pacific, or vice versa.

Even with only nine carriers in 1981, more than three could be on patrol at once. The ratio right now is 4 carriers out of service for every 10 on patrol. As two more nuclear-powered carriers join the fleet, that ratio can only improve because of the advantages in speed, range, and staying power that nuclear energy brings.

In the past, the Navy has argued that a nuclear carrier is at least one-and-a-half times as valuable as a conventional carrier. Using that reasoning, a carrier force of 9 in 1981 would be as effective as a carrier force of 10 or 11 today.

The importance of this issue of carrier force levels goes far beyond this debate today and CVN–70. If the Navy insists on maintaining a "modern" carrier force of 12 into the future, a new aircraft carrier will have to be authorized by Congress and under construction every other year. In order to maintain a 12-carrier force that includes no ships older than 30 years, 7 new carriers would have to be authorized between 1979 and 1985. With that in mind, Congress will have to reconcile itself to vast expenditures in the next decade for carriers.

To keep a force of 12, it will cost more than to build the Trident fleet, because each aircraft carrier with escorts and planes will be $3 billion.

The only alternative is to reduce the carrier force level and find other ships that can do the job of the mammoth carrier for less money.

Finally, it is important to note that the size of any carrier force cannot be discussed in a vacuum. The aircraft carrier is not this country's only military representative overseas. It does not provide this country's only source of tactical air power.

In countries across the world, the air force maintains tactical fighters and bombers. As the number of aircraft carriers has declined, so has the number of aircraft carrier air wings.

Those tactical aircraft have increased range and effectiveness. There are fewer overseas Air Force bases today but the Air Force has not complained that its forces have diminished. In addition, the Army has troops stationed around the world with greater firepower and mobility than ever before.

Some aircraft carriers are necessary but I do not believe we need another aircraft carrier now.

THE SOVIET THREAT

During the debate over the Trident submarine proposal, much was made of the Soviet threat with the implication that the Soviet Union had a "Trident"-type of submarine already. When the representatives of the Navy have testified about the need for CVN–70, they too have talked about the Soviet threat—in terms of Soviet aircraft carriers.

We have heard that same justification for the B–1, the ICBM, the Trident, and every other weapon proposed. "We must build," the argument goes, "because the Soviets are catching up or going ahead of us."

There should be no confusion on this point.

The Soviet Union has built what can be called an "aircraft carrier." They are building another one now, according to the Navy. But in no sense of the word can these two ships be considered comparable or threatening to this country's attack carriers. Secretary of Defense Elliot Richardson's testimony before the Senate Armed Services Committee in March bears that out:

They have one (deleted). And they have just laid the keel for the second. The first one is about 900 feet long, and 40,000 tons. It is about half of the displacement of our own *Forrestal* class or *Eisenhower* class carriers. It has a rather short flight deck (deleted). It appears to be designed to provide air cover for Soviet naval task forces through the use of helicopters and very short takeoff and landing aircraft.

Helicopters and very short takeoff and landing aircraft—these are a far cry from the tactical firepower that is massed on every major U.S. aircraft carrier. Unlike our own carriers, the Soviet light carrier is designed primarily for defense purposes. It hardly represents a major threat.

So let us make this plain: the Soviets have no aircraft carriers of our type. We have no knowledge of any plans for them to build supercarriers. We have heard of the threat of the Soviet Navy and how it might surpass ours, yet they have no carrier of our type and no plans for any.

All of the countries of the world put together do not have one quarter of the aircraft carrier power of this country. There are no indications that the balance will change—whether the U.S. carrier force level stands at 15, 12, or even 9.

During the Trident debate yesterday, there also was great controversy over the importance of the Trident program as a "bargaining chip" in the SALT talks. My distinguished and able colleague from the State of Washington (Mr. JACKSON) argued forcibly that the United States could not bargain from a position of strength without Trident.

Whatever the merits of that argument, Mr. President, it is not an issue here. The aircraft carrier generally—and the CVN–70 in particular—cannot possibly be a "bargaining chip" because no one else has the quantity and quality of carriers that we do and, furthermore, no one else seems to want them.

The mere fact that no other navy in the world is bent on building majestic and gigantic aircraft carriers—together with an acceptance of the changing role and incredible cost of big carriers—ought to lead our own Navy to reevaluate the big carrier as a practical weapon.

ALTERNATIVES

Unless we are to continue to spend billions of dollars indefinitely to build large aircraft carriers, we have to find alternatives. The Navy itself has proposed a "sea control ship"—SCS—that it says is designed to supplement the large carriers in "low-risk" areas.

The Navy had requested almost $30 million in this year's budget for initial procurement of long lead items for SCS, but the Senate Armed Services Committee rejected the request. The committee said funding should wait "until such time as the concept has been completely validated and the 'optimum aircraft'—for SCS—have been fully defined."

SCS could perform many of the duties of the large carriers—from antisubmarine warfare to convoy escort duty to displaying American presence overseas—and it could perform them with less expense. The Navy plans eight of these ships at a total cost of $1.1 billion, just about what it takes to construct the CVN–70.

During hearings by the House Armed Services Committee, Vice Admiral Price said sea control ships "can adequately carry out worldwide sea control tasks in an effective manner—but—it could not carry the F–14's the aircraft carrier has to have." But the big carriers would still carry the F–14's.

COST OF CANCELLATION OR DELAY

It is no secret that Congress authorized $299 million last year for the construction of long lead items for the CVN–70, mostly for propulsion. The advocates of the CVN–70 proposal no doubt will argue that the authorization presents us with a fait accompli. It most certainly does not.

The Navy has told me that, as of September 15, 1973, less than 2 weeks ago, only $15 million of that amount had been spent. It said that the remainder of the money has been "obligated" to contractors. During his testimony before the House Armed Services Committee, Vice Adm. Hyman G. Rickover, Director, U.S. Navy Nuclear Propulsion Directorate, estimated that it would cost "$60 to $100 million—if the CVN–70 is not approved this year, and we are required to terminate the contracts we have placed." Admiral Rickover also said that a delay in the CVN–70 program would cost $50 million.

However, at least some of that "investment" would not be lost. Since CVN–70 would be almost identical to *Eisenhower* and *Nimitz*, equipment being built for CVN–70 could be used as spare parts for those two other aircraft carriers. In any event, at worst, the Federal Government would be out $155 million, using the Navy's own figures, and at best, it would be out $65 million. Whatever the figure, it is a far cry from the $3 billion that all of us will be out if the CVN–70 is built. It certainly makes little sense to throw good money after bad. Less than 3.5 percent of the total cost would be lost if we discontinued CVN–70.

CONCLUSION

Mr. President, I urge my colleagues to support this amendment. Physically, the CVN–70 will be an impressive ship, but then so will its cost. If we build it, the American people will not be getting a good return on their investment of $3 billion. For all of the publicity and projections, CVN–70 remains a proposal grounded more on naval tradition and nostalgia than on commonsense. Times have changed—the "golden age" of the aircraft carrier has passed—and so must the traditional concepts of naval military power. With its sea control ship proposal, the Navy has started to move in the right direction, but it first must clear the hurdle of an obsession with yet another supercarrier.

On this vote—one of the last on the military procurement bill—more is at stake than just the fate of the CVN–70 nuclear aircraft carrier. I think our credibility and our responsibility are at

stake as well. We all have spoken of the need to control Federal spending. We all have maintained that fiscal responsibility is the Congress responsibility. Yet, time after time, in these last 10 days, the Senate seems to have forgotten that—in the face of some rather intense "persuasive" efforts that, I am told, are virtually unprecedented. Whatever the reason, whatever the cause, the Senate has not voted to reduce military spending. It has voted to increase it—by one-third over the recommendations of the Armed Services Committee.

The amount of Federal spending always has been an issue in this country, and little more than 20 years ago, it was the subject of a speech by a prominent public official. This is how part of it went:

> Every gun that is made, every warship launched, every rocket fired signifies, in the final sense, a theft from those who hunger and are not fed, those who are cold and are not clothed. This world in arms is not spending money alone. It is spending the sweat of its laborers, the genius of its scientists, the hopes of its children . . . the cost of one modern heavy bomber is this: a modern brick school in more than 30 cities. It is two electric power plants, two fine fully-equipped hospitals. . . . We pay for a single fighter plane with a half-million bushels of wheat. We pay for a single destroyer with new homes that could have housed more than 8,000 people. This, I repeat, is the best way of life to be found on the road the world has been taking. This is not a way of life at all, in any true sense. Under the cloud of threatening war, it is humanity hanging from a cross of iron.

The speaker was Dwight D. Eisenhower. The costs have increased quite a bit since then. And so has the need to make the right decisions.

So I urge the defeat of this additional money, the $657 million this year, which will ultimately cost us $3 billion. I urge support of this amendment.

Mr. TOWER. Mr. President, I am prepared to yield back the remainder of my time if the Senator from Idaho is prepared to yield back his time.

Mr. CLARK. The Senator from Arkansas wanted me to yield to him.

Mr. TOWER. Then I reserve my time.

Mr. CLARK. Mr. President, I yield to the Senator from Arkansas. How much time did the Senator want?

Mr. FULBRIGHT. Five minutes ought to be enough to start with.

Mr. CLARK. Mr. President, I yield 5 minutes to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I would like to commend the Senator from Iowa for a very thoughtful and thorough speech. He dealt with the basic question, I think, in an unanswerable way.

Mr. President, I am pleased to join the Senator from Iowa (Mr. CLARK) and others in cosponsoring the amendment to eliminate the $657 million requested by the Navy for construction of another nuclear aircraft carrier, the billion-dollar CVN–70, or I could say $3 billion.

In considering this request for funds, we should weigh the needs for this extremely expensive ship against the need to reduce Government spending. We should contrast the $657 million the administration wants to spend for this additional carrier against the cuts it wants to make in health disaster relief, water and sewer, and education programs.

In my view the determination of need can be made rather easily. The Navy already has one nuclear carrier, as the Senator from Iowa has pointed out, the *Enterprise*, in service, and two others, the *Nimitz* and the *Dwight D. Eisenhower*, under construction. These two carriers will cost a total of $1.3 billion according to the Navy, with the *Nimitz* due to be delivered in 1974 and the *Eisenhower* in 1975.

The Navy currently has 14 attack aircraft carriers and has estimated that a force of 11 or 12 modern aircraft carriers will be in operation in the early 1980's, with the CVN–70 becoming the 12th if it is built. These carriers, with 1,000 modern aircraft, would constitute a powerful and more than adequate fleet. Without the CVN–70 we would still have six carriers stationed in the Atlantic and Mediterranean, and five carriers in the Pacific, three of which would be nuclear-powered.

CVN–70 would represent an incremental addition to our sea-based power of only one-twelfth, at a cost ranging well into the billions. There is simply no justification for such an enormous expenditure for this purpose.

It is important to remember that the $1 billion is the cost of the construction of the carrier only. Costs of the aircraft and escort vehicles would also be considerable, probably as much as $1 billion for the planes and another billion for the escort ships. Thus the basic costs of CVN–70 would really be more in the range of $3 billion. This says nothing of the costs of operating, maintaining, and manning the ship. The Center for Defense Information calls this the most expensive ship ever built and says that over 30 years the carrier, its aircraft and its ship and air crew will cost about $10.4 billion.

The CVN–70 is an extravagance from the standpoint of both cost and need. Indeed there are strong questions about the role and value of aircraft carriers in this era. Aircraft carriers have no role in the direct defense of the United States and also are unlikely to have a mission in any nuclear war. Carriers will be extremely vulnerable in any major confrontation.

The carrier is in no way vital to the defense of the United States. It is an outmoded naval weapons system. Its only real role in this age is as an instrument of intervention. It is a weapon without a legitimate mission.

By now we should be aware of the unwisdom of military intervention in the affairs of other nations. I see no reason why we should equip ourselves with still another carrier. It has been demonstrated that we already have more than ample means of getting involved in faraway adventures.

Testifying last year on behalf of the CVN–70, Vice Adm. Jerome H. King told the Committee on Armed Services:

> The peacetime presence mission of the attack carriers, particularly those which are nuclear powered, is one of our most effective instruments of national power. We must back up the President's decision and be prepared to back them up at any time with effective ready forces that can move out rapidly and deploy in a timely manner.

I believe that Congress has indicated in recent months that action of this sort should not be the "President's decision," as the admiral phrased it.

The decision to use our military power abroad should be a decision in which the Congress participates. It should participate in this with due deliberation, or we will again repeat, as I have indicated, the misadventure such as we have had in Southeast Asia.

In a sense, approval of another carrier is an implicit approval of what I believe is the discredited policy of allowing the executive to intervene any time and any place it chooses to do so.

The aircraft carrier is essentially designed for, and about the only mission I can think of is, intervention in other countries affairs.

As the Senator from Iowa has indicated, the Russians have had no similar aircraft carrier up to now, and I doubt seriously that they will have one, except if we can continue to build them, I suppose, like the old instinct to keep up with the Jones, they may decide to copy us.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. May I have 2 minutes, please?

Mr. CLARK. Mr. President, I yield 2 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 2 minutes.

Mr. FULBRIGHT. Mr. President, the CVN–70 would be an outmoded, sitting duck or sinkable airfield, if you prefer, in a nuclear age. The only apparent purpose for this extremely expensive ship would be as an instrument of intervention by force directed primarily at the smaller nations, not against Russia. Such a ship would be too vulnerable for any responsible naval officer to approach the shores of Russia, with their capacity for defending against such cumbersome and enormous targets.

For our country to try to preserve a "Pax Americana," to police the world by force, rather than to use diplomacy and persuasion, is a misguided, obsolete approach, unsuitable to the conditions which have developed in the world with the advent of nuclear weapons.

I cannot imagine that even as a "bargaining chip" in the SALT talks, the aircraft carrier would be a very valuable one in contrast to the submarine.

The only argument that seemed to me to have even a little validity with regard to the Trident was, "Well, if we continue production of the Trident and it is in the ways, it will be a powerful ship to put into the SALT talks to dissuade the Russians from continuing or increasing the building of submarines on their part."

Perhaps that is a valid argument, assuming, of course, the irrationality of the Russians, as well as ourselves, and it has been supported, I think, largely on that ground; but, in any case, their having no aircraft carriers of their own, I am not sure, with that as the chip, they

would have to match it. Furthermore, I do not think the Russians worry about whether we will waste too much money on such obsolete weapons. They would probably prefer us to build obsolete weapons, involving so much money, because it would divert those funds from the building of additional submarines, whether they be large and ungainly ones, or the Poseidon, which, from the arguments I have heard, are the best weapons we have.

Mr. President, I believe that this authorization for further funding is for an obsolete ship and is contrary to our national interest.

I hope the Senate will support the amendment of the distinguished Senator from Iowa.

The PRESIDING OFFICER. Who yields time?

Mr. SYMINGTON. Mr. President, will the Senator from Iowa yield to me for a question?

Mr. CLARK. Mr. President, I yield to the distinguished Senator from Missouri.

Mr. SYMINGTON. Mr. President, has the Senator placed in the RECORD the cost of the CVN–70 over a period of years?

Mr. CLARK. Yes, I have.

Mr. SYMINGTON. Mr. President, as I understand it, the cost for 30 years is estimated at $10 billion for one carrier task force.

Mr. CLARK. $10.4 billion over 30 years.

Mr. SYMINGTON. Mr. President, when we get into the question of submarines, the story they give us is that we are way behind the Soviet Union and that therefore, we should catch up in order to have the same number as the Soviet Union.

Does the able Senator know how many carriers the Soviet Union has?

Mr. CLARK. The Soviet Union has no carriers of our type. They have one carrier and another under construction. They are only half the size of those in our present fleet of 14.

Mr. SYMINGTON. Mr. President, I am not counting the *Moskva*-class carrier, which is for helicopters. They have two, and they may have a carrier that will take planes and they may not. We are not sure.

Mr. CLARK. There certainly is no Soviet nuclear aircraft carrier, and to the best of our knowledge, none other than would accommodate the helicopters and the vertical flight planes.

Mr. SYMINGTON. If they have one, it would be 14 to 1 in our favor.

Mr. CLARK. The Senator is correct.

Mr. SYMINGTON. We not only want to equal them in submarines as soon as possible, based on the discussion, but it would result in building by all odds the 10 most expensive boats in the history of the world. We want to get more carriers, even though we outnumber them by 14 to 1. Is that correct?

Mr. CLARK. The Senator is correct.

Mr .SYMINGTON. The newly appointed distinguished Secretary of State, Dr. Kissinger, made an agreement in Moscow to give the Soviet Union more ICBM's than we have because of the added capability of our strategic bombers and forward-based aircraft. That was upset by Members of the Senate, and the administration agreed that the formula which the present Secretary of State used in a press conference to justify that agreement with the Soviet Union was incorrect. Therefore, it is my understanding that based on language adopted by the Senate last year with respect to the SALT agreements, in addition to our strategic bomber, where we outnumber any possible enemy, and our forward based aircraft, we should also have the same number of ICBM's as the Soviet Union has. Is that correct?

Mr. CLARK. That is my understanding.

Mr. SYMINGTON. It is my understanding, too. Under those circumstances, it would appear that we must be equal or superior in every category of every weapon in the world regardless of our superiority in the strategic bomber and number of warheads.

Mr. CLARK. It certainly appears that way to me.

Mr. SYMINGTON. The State Department a year ago put out a pamphlet in which they stated the United States at that time had 6,000 nuclear warheads and the Soviet Union had 2,500. They also said that by 1977 the 2,500 of the Soviet Union would be increased to 4,000, and the 6,000 nuclear warheads under the present plans of the United States would be increased to 10,000.

Mr. CLARK. The Senator is correct.

Mr. SYMINGTON. No doubt there may have been some changes in that since last year, but actually we only have to be destroyed once in order to be destroyed. Is that correct?

Mr. CLARK. The Senator is correct. It is my understanding that we can now destroy every city in the Soviet Union of more than 20,000 population three times over. I would think that is sufficient.

Mr. SYMINGTON. Actually if we had only 4,000 nuclear warheads, instead of 10,000 in 1977, and the Soviets had 10,000 based on the figures the able Senator from Iowa has just presented, it would be possible for us to destroy the Soviet Union, would it not?

Mr. CLARK. That is correct.

Mr. SYMINGTON. So what the Senator has said is that he believes in the basic soundness of the theory of overkill. Am I correct?

Mr. CLARK. That is correct.

Mr. SYMINGTON. I have no illusions about any success that we may have with respect to this amendment. A cartoon in the Baltimore Sun this morning shows the Senate being lined up by an officer who appears to be annoyed by the relatively ineffective efforts that were made to hold the military budget down to a reasonable figure. I do think as we continue to recognize the increasing problems we have at home—the cost of meat in the supermarket, the high taxes, the high interest rates, the inability of young people to buy homes, the lack of adequate care of the sick and aged, the lack of adequate money for the education of our youth, and so forth—I do think that even though we may be controlled, on this bill, by the Pentagon, we ought to make a record to show how wrong are some of the programs that have been lobbied for by the military.

Mr. CLARK. I agree.

Mr. SYMINGTON. I thank the Senator. I shall vote for his amendment.

Mr. CLARK. I thank the Senator for his support and also for his questions and comments.

Mr. TOWER. Mr. President, is the Senator from Iowa prepared to yield back the remainder of his time?

Mr. CLARK. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Iowa has 8 minutes left; the Senator from Texas has 25 minutes remaining.

Mr. CLARK. I should like to take about 3 minutes.

Mr. TOWER. Mr. President, the reason I made the inquiry is that some of our brethren, both Democratic and Republican, have said that they would like to have the vote come now.

Mr. CLARK. I will take 2 minutes.

After 10 days, we have not cut one single dollar from the committee's recommendations. Instead, we have added half a billion. This is virtually our last opportunity to vote responsibly to hold down the military program budget. We have applauded the President's success at détente; his success at various mutual reduction of arms conferences; and at the SALT talks. Yet we have seen no benefits from that détente.

The Senator from Missouri (Mr. SYMINGTON) said that we now possess significant overkill with our present system. That fact is indisputable. We know an argument for strategic weapons is made that we must keep up with the Soviet Union. Yet clearly we know that the Soviets plan no carriers of our type.

So, when we see all of this, when we realize that an aircraft carrier no longer fills the role it once did in the Second World War and the wars that occurred thereafter, it simply makes no sense for us to permit another $3 billion to be spent on a vulnerable and unnecessary aircraft carrier.

I yield back the remainder of my time.

Mr. TOWER. I yield back the remainder of my time.

Mr. STEVENSON. Mr. President, will the distinguished Senator from Iowa yield to me?

Mr. CLARK. I yield to the distinguished Senator from Illinois.

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. CLARK. How much does the Senator wish?

Mr. STEVENSON. Three minutes.

Mr. CLARK. I yield the Senator 3 minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 3 minutes.

Mr. CLARK. Mr. President, if the Senator will withhold for a moment, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. STEVENSON. Mr. President, this amendment would not only save funds,

as the Senator from Iowa and the Senator from Missouri have pointed out; it would also, in my judgment, lead to a stronger naval capability.

This weapons system is expensive. With its complement of aircraft and escort vessels, it would cost about $3 billion.

It is highly vulnerable to attack by surface-to-surface missiles, and also to attack by nuclear submarines.

But, Mr. President, the chief point I want to make is that all of its capabilities could be performed more effectively and at lower cost by other combinations of vessels. Its antisubmarine role could be performed more cheaply by land-based planes and multipurpose vessels. Its sea control mission could be performed less expensively by other surface vessels. Its shore support mission might be performed by surface-to-surface missiles launched from less expensive naval platforms, or by planes launched from less expensive carriers.

I am concerned, too, that the Pentagon's request for this fourth nuclear aircraft carrier is not dictated by any clear perception of political or military realities in the latter half of the 20th century, but instead by habit, and bad habit. It is a throw-back to the old battleship, and little more than a status symbol for the Navy and a tribute to interservice rivalry.

I urge the Senate to support the amendment offered by the Senator from Iowa.

DELETE FUNDS FOR THE CARRIER

Mr. HUGHES. Mr. President, I am happy to join my distinguished colleague from the State of Iowa (Mr. CLARK) in his effort to delete the $657 million proposed for the newest nuclear aircraft carrier, the CVN–70.

The case for aircraft carriers rests much more on history and tradition rather than commonsense or sophisticated analysis. The naval limitation treaties of the 1920's and 1930's locked us into the notion that we needed 15 capital ships, and now that battleships have gone into mothballs, that means 15 carriers.

Never mind that the Soviet Union has never followed the same course. The U.S. Navy still wants to spend its limited resources for surface ships on huge programs like giant aircraft carriers rather than buying more but smaller ships.

Now is the time to learn the lessons of history and adapt to modern weaponry by turning away from large-scale carrier development.

Carriers look impressive. They can "show the flag" in remote ports. They can carry a vast potential for destruction. But in the event of a major war with a major power, they will be floating coffins. To make all carriers totally invulnerable to enemy submarines, aircraft, cruise missiles, and the like would be as costly and as futile as our mistaken attempt to protect all our missiles and cities by an ABM.

In a conventional war, I believe that the sea lanes could be kept open better by a larger number of special purpose ships rather than a handful of carriers. The very power of carriers—with dozens of aircraft on each—makes them a high priority target for any enemy. And the neutralization or incapacitation of one carrier would seriously weaken our Navy's ability to perform its sea control mission. This vulnerability would be especially true in the most discussed limited war contingency—in the eastern Mediterranean. In that area, the Soviet Union can already deploy submarines, land-based aircraft, and high-speed surface ships equipped with antiship missiles. The effort to protect even one carrier under those circumstances would vastly reduce our ability to give support to combat operations, for Navy doctrine calls for reducing its attack aircraft by over one-third in order to perform an ASW mission.

In a nuclear war, the survivability of carrier task forces is remote, so remote that I am surprised that the Navy still foresees a role for such ships in those circumstances. To continue to build huge carriers is to continue to put too many high-priced eggs into a very shaky basket.

These tactical considerations only strengthen the cost arguments for deleting funds for another nuclear carrier. When all the costs are added up, we find that the total bill will be staggering—not only for the Navy but also for our hard-pressed taxpayers.

This one carrier, the CVN–70, will cost nearly $1 billion. To equip this one carrier with its typical air wing will cost another $657 million. To provide only six escort ships will take another $577 million, for a partial total of $2.19 billion. And even this figure does not take into account other escort or supply and replenishment ships which might be needed.

According to official Navy estimates, these seven ships and associated aircraft will cost $140.6 million each year to operate. Who knows what the cost will be in then-year dollars, when inflation has padded the bill even more?

Thus, to buy and operate these planes and ships for 10 years will cost nearly $3.6 billion. And this is only the price tag for one carrier group.

The Navy says it also wants to have replacement carriers in 1985, 1987, 1989, and so forth. If we are to build to meet these deadlines, we will have to make down payments on additional multi-billion-dollar systems in the next few years.

Mr. President, I am not willing to ask the American people to pay all these bills for such a questionable and vulnerable capability.

Senator CLARK has done a valuable public service by raising these issues here and now, so that we can stop payment on this carrier before we all find ourselves in budgetary bankruptcy.

Mr. McGOVERN. Mr. President, since the beginning of this year many of us have been making speeches about the contest between the President and the Congress over national priorities and over control of the national budget.

Many of us have described this struggle in essentially the same way. We have refuted the claim that the Congress is a spendthrift institution bent on adding to the budget, to the deficit, or to inflation. On the contrary, we have adopted our own budget ceiling of $268 billion—lower than the President's—to demonstrate that if anything we are more serious than the President about limiting spending to responsible levels. And we have asserted that our quarrel is instead about priorities, with the Congress determined to meet the backlog of human needs at home, while Mr. Nixon wants more money to underwrite our military posture abroad. We both want to limit the budget, we have said. But in different places.

After watching Senate action on the military procurement bill, I am forced to retract that description.

After all the debate and all these amendments, the net effect of Senate action has been to add $500 million to the military spending levels recommended by the committee.

When all is said and done, we have timidly followed the instructions of our supposed servants in the Pentagon, and we have given them virtually everything they wanted.

It is a shame that those who want the economy repaired, or energy supplies assured, or inflation stopped, or housing built, or medical care improved, cannot come up here in impressive uniforms and lobby so persistently and so persuasively. Maybe then we would override some of these vetoes of domestic programs, and perhaps even insist that arms spending must at least stop rising if a "generation of peace" is at hand.

But in any case, it seems clear that many of us had misconstrued the argument.

The President wants to cut the budget in the wrong places. But the Congress seems unwilling to cut it at all.

And our actions seem to be telling the American people that regardless of what we might say, the public purse does not reside on Capitol Hill; the biggest part of it is at the Pentagon, and the rest is in the President's pocket.

Mr. TOWER. Now does the Senator yield back the remainder of his time?

Mr. CLARK. I yield back the remainder of my time.

Mr. TOWER. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. MCCLURE). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Iowa (Mr. CLARK). 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 affirmative). On this vote I have a pair with the distinguished Senator from Pennsylvania (Mr. SCOTT). If he were present and voting, he would vote "nay;" if I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from Hawaii (Mr. INOUYE), the Senator from Montana (Mr. METCALF), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from Indiana (Mr. BAYH) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL), and the Senator from Louisiana (Mr. JOHNSTON) are absent on official business.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. PACKWOOD), the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from Virginia (Mr. WILLIAM L. SCOTT) are necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that the Senator from Illinois (Mr. PERCY) is absent by leave of the Senate.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY), and the Senator from Ohio (Mr. TAFT) would each vote "nay."

The Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The pair of the Senator from Pennsylvania (Mr. HUGH SCOTT) has been previously announced.

The result was announced—yeas 30, nays 55, as follows:

[No. 437 Leg.]

YEAS—30

Abourezk	Fulbright	McGovern
Bible	Hart	Mondale
Biden	Hartke	Moss
Brooke	Haskell	Nelson
Burdick	Hatfield	Pell
Case	Hathaway	Proxmire
Chiles	Hughes	Saxbe
Church	Javits	Stevenson
Clark	Kennedy	Symington
Cranston	Long	Tunney

NAYS—55

Aiken	Eastland	Montoya
Allen	Ervin	Muskie
Baker	Fannin	Nunn
Bartlett	Fong	Pastore
Beall	Goldwater	Randolph
Bellmon	Griffin	Ribicoff
Bennett	Gurney	Roth
Bentsen	Hansen	Schweiker
Brock	Helms	Sparkman
Buckley	Hollings	Stafford
Byrd, Harry F., Jr.	Hruska	Stennis
	Huddleston	Stevens
Byrd, Robert C.	Humphrey	Talmadge
Cannon	Jackson	Thurmond
Cook	Magnuson	Tower
Curtis	Mathias	Weicker
Dole	McClure	Williams
Domenici	McGee	Young
Dominick	McIntyre	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Mansfield, for.

NOT VOTING—14

Bayh	Johnston	Percy
Cotton	McClellan	Scott, Hugh
Eagleton	Metcalf	Scott, William L.
Gravel	Packwood	
Inouye	Pearson	Taft

So Mr. CLARK's amendment was rejected.

Mr. THURMOND. Mr. President, I move that the vote by which amendment was rejected be reconsidered.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent, before the next amendment is laid before the Senate under the agreement, that the distinguished Senator from Illinois (Mr. STEVENSON) be recognized for not to exceed 2 minutes.

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

S. 2482—TO AMEND THE SMALL BUSINESS ACT

Mr. STEVENSON. Mr. President, I ask unanimous consent that the passage of S. 2482 be reconsidered, that third reading be reconsidered, and that the distinguished Senator from Kansas (Mr. DOLE) and the distinguished Senator from Minnesota (Mr. HUMPHREY) be added as cosponsors of the amendment which I now have at the desk, and that the amendment be agreed to and that, as thus amended, the bill be repassed.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

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

The PRESIDING OFFICER (Mr. HELMS). The amendment will be stated.

The assistant legislative clerk read as follows:

At the end of the bill add the following new section:

"SEC. 10. (a) Section 3 of Public Law 93–24 is amended by striking therefrom: ', and are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time', and insert in lieu thereof the following: 'Such loans shall be made without regard to whether the required financial assistance is otherwise available from private, cooperative, or other responsible sources'.

"(b) The provisions of subsection (a) of this section shall be given effect with respect to all loan applications and loans made in connection with a disaster occurring on or after April 20, 1973.

"(c) With regard to all disasters occurring on or after December 27, 1972, the Secretary of Agriculture shall extend for ninety days after the date of enactment of this section the deadline for seeking assistance under section 321 of the Consolidated Farm and Rural Development Act as amended by this section.

"(d) Section 321(a) of Public Law 87–128, as amended, is hereby amended by striking 'which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans the Secretary is authorized to make or insure under subtitles A and B of this title or any other Act of Congress), at reasonable rates and terms for loans for similar purposes and periods of time'. The provisions of this subsection shall be given effect with respect to all loan applications and loans made in connection with a disaster occurring on or after December 27, 1972."

Mr. DOLE. Mr. President, I am pleased to cosponsor the amendment being proposed by the junior Senator from Illinois (Mr. STEVENSON) requiring the Farmers Home Administration to make emergency loans to farmers and rural families on the same terms as are now being made by the Small Business Administration to other businessmen antd urban residents This amendment is necessary to correct an inequity that has arisen as a result of enactment of Public Law 93–24 earlier this year. Under the provisions of that law, a farmer applying for a disaster loan from the Farmers Home Administration must show that he is unable to obtain credit elsewhere before being eligible for the 5 percent disaster loan. A businessman, on the other hand, is not subject to the same credit limitations on receiving the 5 percent loans. Farmers are being required to go out and try to obtain loans for rebuilding their damaged property at the current market rates of 7, 8, or 9 percent, while other businessmen in the same community receive 5 percent loans to restore their businesses.

Traditionally, and as expressly provided in the Disaster Relief Act of 1970, which I helped to write, disaster loans were made to an individual without requiring that the applicant try to obtain credit from other sources. It has always been the intent of Congress to treat all disaster victims alike—in urban or rural areas. The Stevenson-Dole amendment is necessary to restore that element of fairness and equality of treatment.

Farmers are themselves businessmen and basic fairness dictates that they should receive benefits which are equal to the Federal disaster relief available to commercial operations through the Small Business Administration. I would point out that recent storms in Kansas have hit at a critical time of year when the summer crops are being harvested and the fall crops are being planted. And any relief which can be provided to put farmers back in operation is also important to the Nation as a bounteous crop from our farms is vitally needed in the coming year to meet our national demands and put food on the grocer's shelf at a price the consumer can afford.

I ask unanimous consent that portions of an article, which appeared in the Kansas City Times on Thursday, September 27, describing the recent devistating storms in Kansas be printed in the RECORD at the conclusion of my remarks, for I believe the Dole-Stevenson amendment will be extremely important to the efforts of Kansas farmers to rebuild and repair their property.

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

[From the Kansas City Times, Sept. 23, 1973]

STORM AREA FACES FLOODING THREATS

Under gray and threatening skies, residents of Clay Center and Greenleaf, 25 miles north-northeast, sadly but thankful to be alive, went about the task of retrieving scattered and damaged possessions. While the property damage was heavy, Clay Center's 5,100 residents escaped with no deaths. At Greenleaf, two children among the 480 residents were killed when a twister blew down a home. They were Angie Buhr, 5, and her sister, Harmyln, 1. Their parents, Mr. and Mrs. George Buhr, and another sister, Jo Ann, 3, were injured.

The scenes of people attempting to begin their lives anew were common all along the storm's path—near Salina where the storm damaged a mobile homes court, at Niles on I–70 between Salina and Abilene where Mrs. Marie Bell, 67, was killed in her cafe.

Public utility crews worked around the clock to restore electric power and telephone

service. Some power was restored in parts of all the communities hit. Telephone service, completely knocked out here along with the electricity, was restored on an emergency basis.

"We're still not accepting direct-dial long-distance calls for Clay Center, a telephone company spokesman said in Topeka. "All calls have to be placed through an operator because of the volume of telephone traffic trying to get in there."

Long-distance service has been restored to Washington Hollenberg, Marquette, Morrowville, Linn, Palmer, Barnes, Salemberg, Hunter and Barnard. Still without long-distance service were Green, Morganville and Greenleaf.

The other deaths caused by the storm were Mr. and Mrs. Herman Meier of Lincoln, Kan., who were swept into a creek north of Ellsworth. Two women missing and feared killed in Clay County were accounted for during the day as the cleanup efforts moved into high gear.

As weary cleanup workers settled into emergency shelters and untouched homes here last night a 7 p.m. to 6 a.m. curfew was put into effect and security was tightened to prevent looting, some of which was reported shortly after the tornado struck.

The full scope of the damage was just beginning to emerge last night. The Red Cross said a * * * 500 Clay Center homes damaged, * * * with major damage and about * * * destroyed. About 75 percent of the town's businesses were damaged in some way by the tornado.

The east wing of the Clay County Hospital here was badly damaged and a hospital spokesman said there was no trace of a 7½-ton air conditioner ripped from the hospital's roof. Marvin Henry, Topeka, area Civil Defense co-ordinator, estimated damage to the hospital at $250,000.

Henry said damage at the municipal power plant here was estimated at $250,000.

In addition to the 40 mobile homes near Salina that were damaged, Henry said, the Western Electric plant there was hit.

Henry said that of the 150 houses in Greenleaf 50 were destroyed, and the others were damaged. He estimated the damage to the city hall and fire station at $30,000 each.

Maj. James Martin of the highway patrol said he flew over Linn yesterday, said two houses in that town of 544 persons were destroyed and eight others damaged. The roof was blown off the school. Martin said he saw 20 or 30 farm houses north of Clay Center that were damaged or destroyed.

Lorin Kasper, Clay Center police chief said 10 per cent of the cleanup work had been completed during the day, but travel was possible on only two roads, K–15 and U.S. 24. Tree branches and debris covered other streets. Kasper said he believed the damage to homes, businesses and public facilities would exceed $2 million.

"This was a beautiful city, but now it will be a blight," Elmer Anderson, Clay Center lawyer, said.

"We were all but wiped out," a sad-faced man in a yellow raincoat said as he directed emergency vehicles past an intersection in the early morning hours. "There's my place. Look at it."

His was the second house on the right from the corner—a 2-story frame structure which for all practical purposes, had been scattered about, its front and back yard.

"Oh, she's all gone, isn't she," said a dazed local business man whose lumber yard, car wash and wrecking business was demolished by the twister.

A flash flood watch for northeast Kansas and northwest Missouri was canceled about 10:15 p.m. last night as showers over the area decreased significantly, a National Weather Service spokesman said.

While light to occassionally moderate showers continued, they posed no flooding threat in those areas.

Rainfall in Kansas City from 7 a.m. to 7 p.m. yesterday measured 1.34 inches. Rainfall reading in area communities for the 12-hour period ending at 7 p.m. yesterday were: Bonner Springs, .74 inch; Shawnee, 1.40 inches, and Olathe, 1.70 inches.

The significant rainfall recorded at Kansas City International Airport in the past week has been concentrated in the last four days. Last Thursday it rained .01 of an inch. Then no rain was recorded here until Sunday, when 1 inch of rain fell. Rainfall total for the first part of this week: Monday, 4.04 inches; Tuesday, .01 inch, and yesterday, 1.34 inches.

The Kansas Highway Commission last night reported 11 roads closed throughout the state because of high waters.

Streams in the Kansas City area were below banks last night but rising. The Big Blue River was about 9 feet below banks at Bannister Road but 2 feet above banks at U.S. 50 at 5 p.m. yesterday, the weather service said. The Little Platte River at Smithville, Mo., was falling slowly but was still 4 feet above its banks there at 5 p.m., the weather service said. Only minor rises were expected on the Little Blue River in eastern Jackson County.

The Missouri River at Kansas City was rising late yesterday afternoon but the weather service expected it to crest at 17 feet. Its flood stage is 22 feet. However the Missouri River at Waverly reached 19.1 feet by noon yesterday over its flood stage * * *. At St. Joseph the Missouri River was expected to crest at * * * this morning, over its flood stage of 17 feet.

In Kansas high waters already have closed these roads, according to the highway commission:

In northeast Kansas: K–9 at Monrovia, K–18 at Zandale and near K–177 south of Manhattan, K–30 between I–70 and Maple Hill, K–82 south of Seneca and south of Sokiler, K–87 north of Vilets, and K–138 at Paxio.

In north-central Kansas: K–4 from Gypsum to U.S. 81, and K–106 from K–18 north to Minneapolis.

In south-central Kansas: U.S. 183 about 4 miles north of Greensburg because of a washed-out bridge, U.S. 50 from Kinsley to a junction with U.S. 281, and U.S. 56 from Kinsley to a junction with U.S. 183.

Shawnee police reported yesterday that Ogg Road at Mill Creek was closed. Wilder Road and Woodland Road three blocks north of 55th were reported covered with water but passable, a Shawnee police dispatcher said.

The Kansas River was expected to contain flood waters within its banks, and its tributaries in central Kansas, the Solomon, Saline, Smokey Hill and Republican rivers, were about 3 feet below the 1951 flood level.

The flood stage of the Solomon, at Niles, where a woman was killed during a tornado Tuesday, is 24 feet. Yesterday afternoon waters there were reported at 28 feet by the weather service. In 1951 the river crested at 31 feet.

The Saline River at Tescott, north of Salina, was reported at flood stage yesterday, 5 feet short of 30 feet, its crest in 1951.

The Republican River at Clay Center, which was hit by two tornadoes Tuesday, reached 19 feet, 4 feet above its flood stage and 3 feet short of its crest in 1951.

Kinsley, on the Arkansas River, reported waters at 11 feet, about 3 feet over the flood stage of 9 feet and 2 feet higher than it reached in 1951.

In Johnson County, Kansas, a sheriff's dispatcher said access road from K–7 to the small community of Wilder was closed.

In Clay County, Missouri, several gravel roads north of Smithville were closed due to flooding.

The Civil Defense director of Platte County, Millard Pope, Jr., said the Platte River was rising there and might flood low-lying areas in Tracy if rain continued.

Mr. PELL. Mr. President, the legislation now before the Senate, S. 2482, is of importance to small businessmen throughout the country, but it is of special and indeed critical importance to hundreds of small businessmen in the State of Rhode Island.

When the Senate first considered the Small Business Act amendments earlier this year, it adopted my amendment, on a record vote of 69 to 11, providing assistance to small businesses that suffer economic hardship because of the closing of Federal military installations. I regret that the President, because of provisions unrelated to this amendment, vetoed that original bill.

The legislation now before us is designed to meet the objections raised by the President to the original legislation. I am delighted, however, to note that my amendment, providing assistance to these small businesses damaged by base closings, is included as section 6 of the bill now before us.

The major naval installations in Rhode Island have been for decades a vital part of the economy of the State. Hundreds of small businesses have been established and operated to help meet the needs of the thousands of naval personnel and their families assigned to Navy bases in Rhode Island.

The sudden, abrupt, and, I believe, outrageously wrong decision to close major portions of those bases leaves many of these businesses, through no fault of their own, facing severe economic hardships.

The assistance provided by my amendment, section 6 of this bill, will at least give these small businesses a chance to adjust and survive in drastically changed economic conditions.

The administration has promised to provide readjustment assistance to my State. I hope it will follow through on that promise by giving its support and ultimate approval to this legislation, including my amendment, to assist small businesses hurt by base closings.

And in conclusion, I want to express my appreciation to the senior Senator from California (Senator CRANSTON) for his assistance, his cooperation, and his sensitivity to the special and particular problem confronting the small businessmen of Rhode Island.

Mr. BAKER. Mr. President, I ask unanimous consent that my name be added as a cosponsor of the Stevenson-Dole amendment to S. 2482, to amend the Small Business Act.

The amendment would insure that the emergency Farmers Home Administration loans shall be available to farm families in rural areas following a flood, drought, or other natural disaster, on the same terms and conditions that the SBA disaster loans are available to businessmen and urban dwellers. This subject has been before the Congress several times in the last year, but it has always been my position that the availability of emergency disaster loans

should be the same under the various authorities, whatever the terms enacted.

Without his amendment, as Senator STEVENSON explained, the SBA emergency loans are made at 5 percent interest under the act of April 20, 1973, without regard to whether the applicants affected by the disaster are able to secure private loans. While that act made the Farmers Home Administration emergency loans available at the same interest rate, a proviso required a showing by applicants that they could not secure private credit at "reasonable rates"—with the result that the FHA is apparently requiring applicants in disaster areas to secure private loans at 7-, 8-, and 9-percent interest. The Stevenson amendment which, as I understand, is retroactive to disasters declared since December 27, would correct this inequity.

In practical terms the amendment returns to the principle of Public Law 91–606, the comprehensive Disaster Relief Act developed by the Public Works Committee in 1970, which provided for both types of disaster loans to be made without regard to a showing that private credit was not available, although the forgiveness and interest rates have been changed since that time.

There are many counties in Tennessee which have been affected by the differences this year between the terms of the FHA and SBA disaster loans. The amendment will be helpful in my State. I am glad that it is acceptable to the administration, and hope that it will be maintained by the House of Representatives.

The PRESIDING OFFICER. Without objection, the various requests of the Senator from Illinois are agreed to and the bill is passed.

The bill as amended and passed is as follows:

S. 2482

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

AUTHORIZATION

SECTION 1. Paragraph (4) of section 4(c) of the Small Business Act is amended—

(1) by striking out "$4,300,000,000" and inserting in lieu thereof "$6,600,000,000";

(2) by striking out "$500,000,000" where it appears in clause (B) and inserting in lieu thereof "$725,000,000";

(3) by striking out "$500,000,000" where it appears in clause (C) and inserting in lieu thereof "$600,000,000"; and

(4) by striking out "$350,000,000" and inserting in lieu thereof "$475,000,000".

LOANS TO MEET REGULATORY STANDARDS

SEC. 2. (a) Section 7(b)(5) of the Small Busines Act is amended to read as follows:

"(5) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in effecting additions to or alternations in its plant, facilities, or methods of operation to meet requirements imposed on such concern pursuant to any Federal law, any State law enacted in conformity therewith, or any regulation or order of a duly authorized Federal, State, regional or local agency issued in conformity with such Federal law, if the Administration determines that such concern is likely to suffer substantial economic injury without assistance under this paragraph: *Provided,* That the maximum loan made to any small business concern under this paragraph shall not exceed the maximum loan which, under rules or regulations prescribed by the Administration, may be made to any business enterprise under paragraph (1) of this subsection; and".

(b)(1) Section 7(b)(6) of the Small Business Act is repealed.

(2) Paragraph (7) of such section 7(b) is redesignated as paragraph (6).

(c) Section 28(d) of the Occupational Safety and Health Act of 1970 (Public Law 91–596) is amended by striking out "7(b)(6)" and inserting in lieu thereof "7(b)(5)".

(d) In no case shall the interest rate charged for loans to meet regulatory standards be lower than loans made in connection with physical disasters.

CONFORMING TECHNICAL AMENDMENTS

SEC. 3. (a) Subsection (g) of section 7 of the Small Business Act, as added by section 3(b) of the Small Business Investment Act Amendments of 1972, is redesignated as subsection (h).

(b) Subsection (c) of section 4 of the Small Business Act is amended by striking out "7(g)" each place it appears in paragraphs (1)(B), (2), and (4) and inserting in lieu thereof "7(h)".

AUTHORITY OF SECRETARY OF AGRICULTURE WITH RESPECT TO NATURAL DISASTERS

SEC. 4. Notwithstanding the provisions of Public Law 93–24, the Secretary of Agriculture shall continue to exercise his authority with respect to natural disasters which occurred after December 26, 1972, but prior to April 20, 1973, in accordance with the provisions of section 5 of Public Law 92–385 as such section was in effect prior to April 20, 1973.

LIVESTOCK LOANS

SEC. 5. Section 7(b)(4) of the Small Business Act is amended by inserting before the semicolon at the end thereof the following: ": *Provided,* That loans under this paragraph include loans to persons who are engaged in the business of raising livestock (including but not limited to cattle, hogs, and poultry), and who suffer substantial economic injury as a result of animal disease.

LOANS FOR ADJUSTMENT ASSISTANCE IN BASE CLOSINGS

SEC. 6. Section 7(b) of the Small Business Act is amended by adding after paragraph (6) the following new paragraph:

"(7) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in continuing in business at its exiting location, in reestablishing its business, in purchasing a new business, or in establishing a new business if the Administration determines that such concern has suffered or will suffer substantial economic injury as the result of the closing by the Federal Government of a major military installation under the jurisdiction of the Department of Defense, or as a result of a severe reduction in the scope and size of operations at a major military installation.".

ANNUAL REPORT ON STATE OF SMALL BUSINESS

SEC. 7. The first sentence of subsection (a) of section 10 of the Small Business Act and the first word of the second sentence of such subsection are amended to read as follows: "The Administration shall, as soon as practicable each calendar year make a comprehensive annual report to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include a description of the state of small business in the Nation and the several States, and a description of the operations of the Administration under this chapter, including, but not limited to, the general lending, disaster relief, Government regulation relief, procurement and property disposal, research and development, technical assistance, dissemination of data and information, and other functions under the jurisdiction of the Administration during the previous calendar year. Such report shall contain recommendations for strengthening or improving such programs, or, when necessary or desirable to implement more effectively congressional policies and proposals, for establishing new or alternative programs. In addition, such".

ANTIDISCRIMINATION AMENDMENT

SEC. 8. Section 4(b) of the Small Business Act is amended by adding after "The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator." the following new sentence: "In carrying out the programs administered by the Small Business Administration including its lending and guaranteeing functions, the Adminstrator shall not discriminate on the basis of sex or marital status against any person or small business concern applying for or receiving assistance from the Small Business Administration, and the Small Business Administration shall give special consideration to veterans of the Armed Forces of the United States and their survivors or dependents.".

SEC. 9. (a) Section 3 of Public Law 93–24 is amended by striking therefrom: ", and are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time", and insert in lieu thereof the following: "Such loans shall be made without regard to whether the required financial assistance is otherwise available from private, cooperative, or other responsible sources".

(b) The provisions of subsection (a) of this section shall be given effect with respect to all loan applications and loans made in connection with a disaster occurring on or after April 20, 1973.

(c) With regard to all disasters occurring on or after December 27, 1972, the Secretary of Agriculture shall extend for ninety days after the date of enactment of this section the deadline for seeking assistance under section 321 of the Consolidated Farm and Rural Development Act as amended by this section.

(d) Section 321(a) of Public Law 87–128, as amended, is hereby amended by striking "which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans the Secretary is authorized to make or insure under subtitles A and B of this title or any other Act of Congress), at reasonable rates and terms for loans for similar purposes and periods of time". The provisions of this subsection shall be given effect with respect to all loan applications and loans made in connection with a disaster occurring on or after December 27, 1972.

Mr. CANNON. Mr. President, are we going to have an explanation of the amendment? I do not know what we are doing here.

Mr. TOWER. Mr. President, this is an amendment to the SBA bill. It has been agreed to by the manager of the bill, the Senator from California (Mr. CRANSTON) and myself as manager on the minority side. It is supported by the administration. It would just be like voting for motherhood.

Mr. CANNON. That still does not tell me what the amendment does, and before I would consent——

Mr. STEVENSON. Mr. President, the

Farmers Home Administration makes disaster assistance loans bearing interest at the rate of 5 percent, when disaster victims are unable to obtain credit elsewhere at reasonable rates and terms. The FHA has taken the position that market rates are reasonable. Farm loans now bear interest at between 8 and 10 percent.

The effect of this position is to deprive most farmers stricken by natural disaster of the 5-percent loans which Congress intended. The market rate is so prohibitively high that the FHA has effectively deprived many farmers of all credit.

The clear effect of FHA's position is to discriminate against farmers. City dwellers can get 5-percent disaster loans whether or not bank loans are also available. There is no "credit elsewhere" provision in the Small Business Administration statutes or regulations.

My amendment ends this injustice for farmers by striking the "credit elsewhere" provision in the FHA's statutes, thereby making disaster loans available to farmers and city dwellers on the same terms. By striking this provision, disaster-stricken farmers will again be able to get a fair measure of assistance at a time of need.

Mr. CANNON. In other words, it puts them all on an equal footing as to the rates?

Mr. STEVENSON. That is correct.

Mr. CANNON. I have no objection.

The PRESIDING OFFICER. Under the previous order——

Mr. MANSFIELD. Mr. President, has the bill been passed?

The PRESIDING OFFICER. Yes.

Mr. ROBERT C. BYRD subsequently said: Mr. President, earlier today S. 2482, a bill to amend the Small Business Act, was reconsidered and amended by unanimous consent after its having been passed, reconsidered, and a motion to reconsider laid on the table.

It is my understanding that the distinguished majority leader, after the unanimous-consent request to that effect was agreed to today, had intended to move again to reconsider, upon which he was advised that such motion was not necessary or was no longer in order, or something to that effect.

At this time, I enter a motion to reconsider the vote by which S. 2482 was passed and that the Senate proceed to its consideration, and that the motion to reconsider be laid on the table. This would accomplish what the distinguished majority leader had intended to do.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) 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.

AMENDMENT NO. 554

The PRESIDING OFFICER (Mr. HELMS). Under the previous order, the distinguished Senator from New York (Mr. BUCKLEY) is recognized to call up amendment No. 554.

Mr. BUCKLEY. Mr. President, I call up my amendment No. 554 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 19, line 14, strike out "$2,958,-200,000" and insert in lieu thereof "$2,960,-200,000 of which amount not less than $2,000,000 shall be available for the initiation of a research program for the development of an effective missile guidance and control system for use in strategic ballistic missiles, including the Minuteman III and Poseidon missiles, which will aid in achieving a yield-accuracy combination capable of attacking military as opposed to urban targets."

On page 19, line 12, strike out "$2,656,-200,000," and insert in lieu thereof "$2,658,-200,000, of which amount not less than $2,-000,000 shall be available for the initiation of a research program for the development of an effective missile guidance and control system for use in strategic ballistic missiles, which will aid in achieving a yield-accuracy combination capable of attacking military as opposed to urban targets."

Mr. BUCKLEY. Mr. President, my amendment is simple and very much to the point. It would increase research funds by $2 million each for our Minuteman III and Poseidon missile guidance systems with the objective of increasing accuracy to a point where a President of the United States would have the option of attacking military targets. As of now, we are effectively limited by current strategic policy. We are precluded from attacking anything but urban centers. In other words, our current option is either not to respond to a nuclear attack or to destroy tens of millions of men, women, and children.

Mr. President, I wish to say at this time that I intend to withdraw this amendment after I have discussed it a few minutes. I will do so because I have received assurances from the chairman of the Armed Services Committee (Mr. STENNIS) that he will schedule closed hearings to examine the desirability for changes in our strategic thinking in light of the very different world in which we now live.

Mr. President, we have a way in this country of becoming captive to certain phrases or pat conclusions that may have long since outlived their usefulness. In no area is this so true as in the case of strategic thinking. The unspeakable horror of a nuclear exchange is such that we tend to retreat from a facing up to current realities and future possibilities while taking refuge in positions that with time have taken on the character of revealed truth. And so we cling to an abhorent concept that deems civilians—men, women, and children—to be the only acceptable targets for strategic weapons.

For better or for worse, we are still committed to the doctrine of deterrence—of a balance of terror—that came into being during the McNamara years. Under this concept, each side would, in effect, hold its civilian population hostage to the other. Under this concept, we considered our best defense to be to assure ourselves of the sufficient survivability of our strategic weapons to inflict unacceptable losses on the civilian populations and economy of an aggressor. As a result of this doctrine, we deliberately leveled off the size of our land-based intercontinental ballistic missiles, deliberately limited the accuracy of our missiles so that they could attack only an enemy's cities and not military installations or nuclear weapons which would require a far higher degree of accuracy, and waited for the Soviets to catch up. It was confidently predicted that once the Soviet Union achieved parity, thus establishing the full conditions of mutual deterrence, the Soviet leadership would turn to other pursuits.

Unfortunately, the Russians have refused to play the game. Instead of stopping when their intercontinental ballistic missiles and submarine-launched ballistic missiles caught up with ours, they have insisted on plowing ahead with the deployment of more and bigger weapons. As a result of this enormous effort, and a result of the terms of the interim SALT agreement, the Soviets are assured a 50-percent advantage in numbers of these weapons, and a severalfold advantage in throw-weight that within the next 4 or 5 years they will be able to convert—through a MIRV technology—into a decisive qualitative as well as quantitative advantage.

More than that, because their individual warheads, even after MIRVing, will be so significantly larger than ours, they will have achieved a capacity to destroy most of our land-based intercontinental ballistic missile and a significant proportion of our strategic bombers in a first strike while retaining more than sufficient weapons to destroy all our cities should a President attempt to retaliate against the destruction of our missile silos and bombers with a strike against Russian cities. Of course, it is unthinkable that a President in the future would strike out in so suicidal a manner. They will have assured, in fact, a flexibility we have insisted on denying ourselves.

The evidence is clear. The Soviet Union's military and civilian leadership have not accepted the idea that war is deterred by threatening the civilian "hostages" to deterrence; rather they think in the more traditional military terms of focusing on the development of the ability to attack military forces. This is attested to, not merely by the nature of the strategic nuclear forces which the Soviets have been deploying—forces which far exceed the requirements of a simple policy of targeting civilians—but by their writings. One leading scholar of Soviet affairs, Dr. Thomas Wolfe, recently noted:

It is my impression from the Soviet literature and also two weeks of discussion that I have just had in Moscow with various Soviet military theorists that the Soviet Union doesn't really regard us as a good model for their strategy; they seem to feel that a responsible strategy is one which doesn't prepare for deterrence only and rest on assured destruction (the U.S. policy), but one that looks to a situation where deterrence might fail and tries to prepare the country for war-waging capabilities, damage limitation, survival, and so on.

The point, it seems to me, that comes out here is that we must ask—if we continue on the deterrence-only path and the Soviet Union continues on a war preparation-survival path, do we come to a point when this asymmetry in our approaches becomes significant in terms of how leaderships react during a confrontation or not.

The nature of recent Soviet efforts in their own ballistic missile programs tends to confirm the thrust of Dr. Wolfe's remarks.

Nearly a year ago, for example, the Soviets flight tested a missile which they have now deployed on one of their submarines known as the SS–N–8. This missile contained a guidance system known as a "stellar inertial" system. It is instructive that a similar program for our own Poseidon missile system was terminated in 1970 when it was determined that this system would be too accurate. A related Air Force program for the Minuteman III missile has been blocked for similar reasons. Evidence which has emerged in the newspapers in recent weeks fail to suggest that the Soviet Union has had a change of mind.

The proposal I am making is a modest one. It does not prejudge the matter of whether or not it is desirable for the United States to actually build such a capability into its strategic missiles. Rather, it simply initiates an R. & D. program which could provide us with the option to deploy such a system if it became desirable to do so at some future time.

My proposal would provide the R. & D. base for the option to deploy ballistic missile systems which have the capability to attack targets other than urban targets with a minimum of destruction to nearby civilian areas. For example, there are a wide range of important military targets such as divisional and corps headquarters, command and control centers, and storage areas which, under some circumstances, may be appropriate targets of attack rather than simple retaliation against urban areas. At the present time we cannot do this without causing vast destruction to nearby urban areas because of the relatively high yield of our existing nuclear weapons stockpile and their inaccuracy compared to what might be technically feasible.

I believe one idea should be dealt with at the outset, however. That is the notion that this proposal establishes the aura of a developing "first strike" capability for our strategic forces with all of the destabilizing properties such capability implies. Nothing could be further from the truth for reasons of technology as well as for imperatives of strategy.

The recent SALT accords have limited our strategic forces to a maximum of 1,000 land-based ICBM's and 750 sea-based ballistic missiles launched from submarines. The Soviet Union may have 1,400 land-based ICBM's and 1,016 submarine-launched ballistic missiles. If we were able to cut the miss-distance in half, and double the explosive energy of the Minuteman III warhead from what it now is, we would only be able to destroy 200 to 225 Soviet ICBM silos. Similarly, if we were able to cut the miss-distance of the Poseidon warhead in half, and double the explosive energy of its warhead, only an additional 375 missiles silos could be attacked successfully if we chose to fire every single missile in our inventory. This is, even under these totally unrealistic military conditions, a long, long way from a posture that looks remotely like a "first strike." Indeed, any competent military observer would not require more than a few minutes of calculation to know that this is true. What it would do, however is mean a substantial improvement in our deterrent credibility.

This would be so because any plausible nuclear conflict initiated by an aggressor would require that a substantial fraction of his forces be withheld following an initial attack so that those remaining could be used to coerce an opponent through a threat to his civilian population.

It may well be that at this point in time, there need not be any requirement to deploy such a system if we had it available, but simple prudence dictates that if there could plausibly arise a set of circumstances when some future President might find such a capability essential, Congress could make the option available. This can only occur if the Congress has provided the needed funds for such R. & D.

I am persuaded that initiating such an R. & D. program could also have a very beneficial impact upon our ability to negotiate a sustainable pact to limit and ultimately reduce strategic nuclear arms.

In recent weeks we have seen the effects of a vigorous Soviet R. & D. program; the Soviets are developing three new ICBM's to replace their currently deployed models, at least one of which appears to be equipped with MIRV's. This is a development of considerable concern because of the potential threat these forces could present to our land based missiles. On the other hand, if the United States indicated an intention to proceed with an R. & D. program that could eventually lead to the deployment of ballistic missiles capable of successfully attacking a significant fraction of their Soviet counterpart, they might well be dissuaded from proceeding with a heavy investment in the equipping of their land-based forces with MIRV warheads. Such a development, if it would occur, could certainly aid in alleviating some of the anxieties that have developed over the Soviet R. & D. and deployment program, and thereby contribute to the development of a sustainable set of arms limitation agreements—even leading toward actual reductions in land-based forces.

Mr. President, I believe that it is entirely appropriate that the Congress take the lead in an effort such as this because it is far more than a mere technical matter involving the fine-tuning of esoteric military forces. It is concerned with the very essence of security—the philosophy which guides the manner in which we will use our forces should they have to be used. It is ultimately a congressional responsibility to raise an armed force, and insuring that there exist an adequate R. & D. based to support a viable set of defense alternatives is one of the most important efforts that can be made at this time.

Mr. THURMOND. Mr. President, I commend the distinguished junior Senator from New York for the interest he has taken over the past 2 years in this very important issue of improving warhead guidance capability. I know of no single item in the military budget of comparable cost which could have such a positive impact on our defense posture.

We have had testimony in the Armed Services Committee that our defense planning has deliberately chosen a level of accuracy for ballistic missiles that is less than that attainable within the state of the art for a relatively small expense. The rationale put forward for this astonishing decision is that the installation of higher accuracy guidance would be a destabilizing element in the strategic balance, and encourage the Soviets to conclude that we were trying to prepare to destroy their ballistic missiles with a first strike.

I have never accepted that argument. In the first place, whatever we know about Soviet strategic writings indicates that the Soviets place no reliance on the "balance of terror" strategy so beloved to the academic civilian planners of the United States think tanks. Their strategy is based upon sound principles of military planning. Instead of trying "to hold our cities hostage," by targeting them indiscriminately with nuclear weapons, their writers recommend a sensible target list that gives military and defense installations the highest priorities. They have damage-limiting priorities designed to paralyze enemy retaliation and enemy military activity. For their own part, they have civil defense preparations of impressive proportions intended to allow the supposed hostages of our much-touted strategic theories to escape. Even if they do not escape, the Soviets have allowed millions of their citizens to die for political reasons in the past, and we must assume that they can tolerate a high level of population decimation in their system today.

For my own part, I think that our strategy of "massive retaliation" upon defenseless civilians leads us into the realms of moral fantasy. The targeting of cities is indefensible from a moral standpoint, where the most effective military strategy is to target militarily significant sites, with Soviet ICBM installations leading the list. Such a strategy is not destabilizing because it would be symmetrical with the Soviets' own priorities. The Soviets, after all, depend upon a triad of land ballistic missiles, submarine-launched ballistic missiles, and bombers, just as we do. We cannot expect to destroy their whole triad on a first strike, and the Soviets know it.

But even if the old arguments ever made sense, they make no sense since

the interim agreement on strategic arms limitation was signed. As everyone knows, the agreement halted competition in quantity of nuclear weapons, and turned the area of concentration toward quality. The President admitted that the agreement gave the Soviets the edge in quantity, but it left us with our superiority in technology. But it also left the Soviets the way open to improve their own technology.

No one had any doubt that the Soviets would use this freedom to increase the quality of their missiles. We know today that the Soviets are much further along in their technology than we would have expected a year ago. The Secretary of Defense has spoken of the new missiles systems they are developing, and of the advanced state of their testing of multiple warheads. Also much has been said in recent days of the Soviet pop-up launching system that makes the silo-size limitations of the agreement almost meaningless.

We are now on the threshold of the SALT II negotiations. When the President met with General Secretary Brezhnev last June, they arrived at a general agreement on basic principles of SALT negotiation. At that time, I wrote to the President commending him for the high hopes expressed in the basic principles, saying:

If they are to be realized in a permanent, agreement, it is of the utmost importance that we do not unilaterally deprive ourselves of any of the permitted steps under the basic principles. Our desire for peace must be safeguarded with prudence, and I would underscore your significant achievement in agreement on the Fifth Principle; namely, "The modernization and replacement of strategic offensive arms would be permitted under conditions which will be formulated in the agreements to be concluded."

This fifth principle of President Nixon and General Secretary Brezhnev practically mandates the upgrading of our missile systems. Any reductions and restrictions on our strategic systems which come out of SALT II will make it of the utmost urgency that we continue modernization of the present systems. This is not a "bargaining chip" to be thrown away in negotiations. We know by the Nixon-Brezhnev agreement that SALT II will permit us to modernize our missiles; we know that the Soviets have a tremendous momentum in modernization; we would be derelict in our duty if we did not modernize ours.

As I wrote to the President in June, modernization—

Allows us to drop the pretense of the outdated "assured destruction" strategy, and to develop flexible strategies more suited to the era of arms limitation. We can only achieve those strategies if we maximize both the number of replacements permitted to us, and the level of warhead accuracy up to the current state of the art.

Improving warhead accuracy is one of the cheapest ways of modernizing and one of the most important. It cannot be destabilizing because both parties involved have agreed to permit modernization. The Soviets expect us to modernize, and are modernizing themselves.

The proposal offered by Senator BUCKLEY is a modest step in developing improved accuracy, and I support it.

Mr. STENNIS. Mr. President, will the Senator yield briefly?

Mr. BUCKLEY. I yield.

Mr. STENNIS. Mr. President, I was detained and could not be in the Chamber when the Senator started his speech. I have listened to most of it. This raises a delicate matter which the Senator is greatly interested in and has worked on. I know we talked about it last year. It is almost impossible to go into these things on the floor of the Senate. However, I would be glad to review the situation again.

Mr. BUCKLEY. I thank the distinguished chairman of the committee. I did say I would withdraw my amendment without bringing it to a vote.

Mr. MANSFIELD. Mr. President, would the Senator yield to me for one-half minute?

Mr. BUCKLEY. I yield.

Mr. MANSFIELD. Mr. President, the reason I am asking for this time is that there seems to be a rumor or rumors going around that there will be no more votes this afternoon.

I wish to inform the Senate that to the best of my knowledge there will be at least one and perhaps two votes this afternoon, the first occurring on the Magnuson amendment.

Mr. BUCKLEY. Mr. President, I reserve the remainder of my time.

Mr. BROOKE. Mr. President, will the manager of the bill yield?

Mr. McINTYRE. Mr. President, I yield to the Senator from Massachusetts.

Mr. ROBERT C. BYRD. Mr. President, would the distinguished Senator yield to me for 5 minutes without losing his right to the floor? The Senator from Kansas (Mr. DOLE) has an amendment and he has to catch a plane.

Mr. McINTYRE. I am happy to yield.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from Kansas may be permitted to offer his amendment now and that there be a time limit thereon of not to exceed 5 minutes.

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

Mr. DOLE. Mr. President, I have an amendment at the desk which I will call up now.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

At the appropriate place in the bill insert a new section as follows:

The amendment is as follows:

SEC. (a) It is the sense of the Congress that the Armed Forces of the United States should act favorably on any request for an early release from active duty made by any physician or dentist serving on active duty and on the request of any physician or dentist to be relieved from an obligation to serve on active duty if (1) such physician or dentist agrees, under regulations prescribed by the Secretary of Defense, to practice medicine or dentistry, as the case may be, in a health manpower shortage area, and (2) the Secretary of Defense, in consultation with the Assistant Secretary of Health, Department of Health, Education and Welfare, determines that the health manpower needs of the community in which such physician or dentist is to practice are greater than those of the military department concerned, and (3) the medical needs of the military Department can be met with the physicians remaining on active duty.

(b) Notwithstanding any other provision of law or any rule or regulation issued under any provision of law, in determining whether any physician or dentist serving in the Armed Forces should be given an early release from active duty, or whether any physician or dentist should be relieved from an obligation to perform active duty, in order that he may practice medicine or dentistry, as the case may be, in any community which has a health manpower shortage, such determination shall be made without regard to whether such physician or dentist has previously practiced medicine or dentistry in such community.

(c) Special consideration shall be given any request for an early release from active duty made by any physician or dentist serving on active duty made by any physician or dentist to be relieved from an obligation to serve on active duty if such physician or dentist has agreed to serve (1) in an area designated by the Secretary of Health, Education and Welfare as a health manpower shortage area, or (2) in a rural area, or (3) in an economically deprived area.

(d) As a condition to receiving a release from an obligation to perform active duty under this section, a physician or dentist may be required by the Secretary of Defense to perform not more than two years of duty in an active reserve unit of an armed force of the United States. A physician or dentist who obtains an early release from active duty under this section may be required to serve an amount of time equal to the active duty obligation that has been waived, in an active reserve unit of an Armed Force of the United States.

Mr. DOLE. Mr. President, first I wish to thank the Senator from West Virginia (Mr. ROBERT C. BYRD), the Senator from New York (Mr. BUCKLEY), and other Senators for providing this time.

I have discussed this amendment with the ranking minority member and the ranking majority member of the committee. With a certain change suggested by the committee staff, it is my understanding that this is acceptable to the distinguished Senator from Missouri and the distinguished Senator from South Carolina.

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

Mr. DOLE. I yield.

Mr. SYMINGTON. Provided the clause "the medical needs of the Military Department can be met with physicians remaining on active duty" is included, and inasmuch as section (a) starts out with the words "It is the sense of Congress," we will accept the amendment on this side.

Mr. THURMOND. We are willing to accept the amendment on this side.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. PROXMIRE. Mr. President, the amendment has not been read and we have no idea at all what it is. We would appreciate it very much if the amendment were explained.

Mr. DOLE. The amendment is intended to alter the procedure by which the Department of Defense considers requests submitted by physicians and dentists who wish to receive an early release from service or a waiver of a pending service obligation in order that they might practice in a civilian community which is in extreme need of their professional services.

I must emphasize at the outset that this amendment does not authorize the massive raid on the military physician corps by the civilian sector, nor does it ignore the fact that the uniformed services also are experiencing difficulty in maintaining adequate numbers of health professionals. The amendment simply expresses the sense of Congress that physicians and dentists who have incurred a service obligation to the Federal Government should be permitted to fulfill that obligation in a manner which helps meet the Nation's greatest needs whether those needs exist in the military or civilian sector. The amendment does not place greater emphasis on civilian needs but neither does it give the military a priority position in the competition for physcians and dentists. Simply stated, the amendment stands for the proposition that the Secretary of Defense should upon the request of the physician or dentist consider the needs of the civilian as well as the military sector before determining the assignment of that physician or dentist.

The second portion of the amendment prevents application of a DOD rule which has in the past disqualified the requests of physicians and dentists who have asked to serve in a health manpower shortage area in lieu of military service. Because of the rule, many requests are denied before they really have an opportunity to be considered on their merits. The ruling of which I speak is outlined in this letter which I ask to be included in the RECORD.

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

SELECTIVE SERVICE SYSTEM,
Washington, D.C., May 16, 1972.

Lt. Gen. HAL B. JENNINGS, Jr., MC
The Surgeon General,
Department of the Army,
Washington, D.C.

DEAR GENERAL JENNINGS: The National Advistory Committee to the Selective Service System on the Selection of Physicians, Dentists, and Allied Specialists (NAC/SSS) has recently been asked for advisory opinions regarding the community essentiality of certain Berry Plan reserve officers being called to active duty, and certain active duty personnel who have requested early releases.

After carefully considering a number of such cases, the NAC/SSS has voted to institute the following policy:

"Physicians, dentists, and allied specialists will be ruled *not essential* to communities where they have never practiced."

I hope that this information will be useful to you. If you have any questions regarding this policy, please call me on Area Code 202, Number 395-3100.

Sincerely,
AUGUST H. GROESCHEL, M.D., *Chairman.*

Mr. DOLE. The letter is authored in behalf of the National Advisory Committee to the Selective Service System on the selection of physicians, dentists, and allied specialists, and states that—

Physicians, dentists, and allied specialists will be ruled not essential to communities where they have never practiced.

Although the Advisory Committee no longer exists, the ruling is still followed and is included in Army Regulation 635-100. Since a finding of "community essentiality" is necessary before a physician can obtain a release from or waiver of any active duty commitment, the lack of prior service in the civilian community in which the physician or dentist wishes to practice is adequate in itself to disqualify his request. In the majority of cases, a physician or dentist will enter or has entered military service immediately upon completion of medical school, internship, or residency. He has normally not practiced in a community prior to entering the service, and thus cannot obtain a waiver or release from military duty regardless of the severity of the need in the civilian community in which he has requested permission to practice in lieu of military service.

ASSESSMENT OF COMPARATIVE NEEDS

I feel that the rule requiring prior service in a community as a necessary prerequisite before a doctor or dentist's services can be ruled essential to that community ignores the real issue and the rule should no longer be utilized. In the spirit of the amendment I am now proposing, the determination of where a physician or dentist should fulfill his Federal service obligation is based upon the comparative needs of the civilian and military communities interested in the physician's services and the alternatives each has for obtaining and maintaining adequate professional health care services for its residents. In making this determination, I feel many factors should be taken into consideration. The doctor/patient ratio within the two communities and the patient load which results due to the specific population characteristics of the community should be considered in determining comparative need.

In addition, the availability of paraprofessional, technicians, and adequate equipment would have a bearing on the relative need of the contesting communities for the professional services. Third, it would seem that the alternative means each community possesses for attracting or employing health care professionals should also be weighed in the decision. If either the civilian or military has reasonably available to it other means of attracting a physician or dentist, this should certainly be taken into consideration. The special health care delivery problems of communities and the resulting demands on health manpower created by the geographical distribution of the population to be served would also have a bearing on the comparative needs of two communities for the services a physician or dentist might have to offer.

KANSAS NEEDS

When these and other relevant factors are taken into consideration, I cannot help but feel that some civilian communities and particularly some rural communities in Kansas can demonstrate a greater comparative need for the services of Kansas physicians who have been refused a waiver of military service or denied an early release from service to practice in areas of extreme need within the State. At last report there were 2,173 practicing physicians in Kansas. However, 54 percent of these physicians practice in four of the State's most densely populated counties, leaving the remaining 902 physicians to serve the other 101 counties of the State. A 1972 survey of Kansas illustrates that over half of the counties in the State had no dentist or had a dentist/patient ratio which exceeds 3,000 patients per dentist. Especially in the rural areas, there are extreme needs in many communities for additional health care professionals.

The amendment I am offering will not satisfy all of these needs nor does it get at the real cource of the problem. But if it can offer much needed professional services to some of the communities without causing a corresponding decrease in the services available within the military sector, it is well worth our consideration. I am confident that not every physician who has incurred a military obligation or is currently serving on active duty will request a release to serve in a civilian community of extreme need. The demands on a young physician or dentist who practices in an underserved area are enormous and the pressures severe. But those who are willing to undertake this challenge should be given the opportunity if the Defense Department can in any way adjust its medical corps program and assignments to make up for the loss of personnel. There are currently 6,617 physicians enrolled in the Berry plan who are completing residency requirements and will enter the military sometime between now and 1980. The Berry plan is a military physicians' program which permits a physician to remain in an inactive reserve status until he completes his medical education, at which time he is obligated to serve 2 years on active duty. If only a small portion of these physicians were permitted to fulfill this Federal service obligation in a civilian community of extreme need, it would make a significant difference.

SOME REQUESTS SHOULD BE APPROVED

Taking into consideration the cessation of American military combat activity since the Vietnam peace agreements and the prospects for passage of a bill which would readjust pay rates for uniformed service health professionals, I feel the Armed Forces could afford the losses which might result from the amendment I now offer.

Using the figures provided by the Department of Defense, my office has learned that the doctor/patient ratio in the military is more than 120 patients per doctor lower than in the civilian sector and three times as low as in many of the rural Kansas communities.

According to information supplied my office by the Pentagon, the last DOD figures indicate that there are currently 13,754 physicians serving in the Department of Defense. This compares with an authorized strength of 13,741. The number of physicians on active duty had decreased during the period July 1, 1972, to April 1, 1973, by less than 1 percent. At the same time, active duty military strength has been reduced by nearly 10 percent.

In addition, military physicians have the benefit of serving a population which resides in a compact area and thus is not faced with the health care delivery problems associated with rural medical practice. Also, the military physician has the benefit of a larger number of technicians and corpsmen to assist him in serving his patients. Although I recognize the

needs to sustain a high level of medical care in the military, statistics indicate that some of the physicians currently serving in the military could be permitted to serve in areas of critical civilian need without jeopardizing the level of military health care.

KANSAS REQUESTS

During the past year I have received several requests from several Kansas physicians asking that they be granted the opportunity to fulfill their military obligation in health professional shortage areas within the State. One request came from a physician completing his residency requirement in Phillipsburg, Kans., who was interested in remaining in that community if he were permitted to fulfill his Federal obligation under the Berry plan in that manner. His request, however, was denied by the Air Force. Although I am not aware of his military assignment or the need for his services at that duty station, I am certain that it would have been very difficult for those needs to exceed the medical needs of the city of Phillipsburg and Phillips County, Kans. At the present time only one permanent physician is available to serve the county's population which exceeds 8,000 people. It is difficult to believe that some accommodation could not have been made within the military medical corps so that the Phillipsburg medical requirements could have been met. Every possible alternative is being explored in Phillipsburg as the effort continues to obtain an additional physician for the area. However, as is the case in many rural areas, the problem of attracting a physician is a difficult one and one which too often is not solved regardless of the effort at the local community level. Everyone agrees that it is in this Nation's best interest that health care be made more readily available to rural America, and the Department of Defense shares the responsibility of meeting this national interest.

The amendment I am now proposing expresses this policy and will hopefully in the future help focus attention on all the considerations which I feel should be given the request of a dentist or physician under these provisions.

There have been other requests from Kansas physicians which I feel were treated rather cursorily by the Department of Defense. One was a request by a physician to serve as the second doctor in a southwestern Kansas county which was in need of more professional health services. The request was turned down and the physician assigned to a 66-member physicians staff at a base on the east coast. At present an appeal is pending from one of the four neurosurgeons in the Wichita area who wishes to remain in the area rather than enter the service and an additional request for an early release from military service has also been submitted by a physician from a small western Kansas community so that he might return to that community to practice medicine.

POLICY CLARIFICATION NEEDED

I do not contend that all these requests should be approved, but I do feel that civilian as well as military needs should be weighed in making the determination and that every possible consideration should be given the approval of those requests from doctors who wish to serve in lieu of military service in areas that have difficulty in attracting an adequate number of health care professionals.

The need for a policy clarification in this area is evident. The Department of the Navy reports that last year approximately 150 requests were received from its physicians for a release to serve in a civilian capacity. None were approved and department officials indicated to my office that it was unlikely that any would be in the near future. Yet, at the same time the physician manpower in the armed services was maintained at its authorized strength. This to me indicates that all possibilities for approval of these requests are not being pursued. I, therefore, offer this amendment to insure that all Defense Department policies serve the best interests of our Nation as they relate directly to defense issues and also as they have ramifications in other areas of Government and society. I am hopeful that the amendment will receive Senate approval and become binding policy within the Department of Defense.

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

Mr. DOLE. I yield.

Mr. HUMPHREY. Mr. President, will the Senator permit me to join as a cosponsor of the amendment? We have a situation in our State which has caused great consternation.

Mr. DOLE. Mr. President, I ask unanimous consent that the name of the Senator from Minnesota be added as a cosponsor of the amendment.

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

Mr. DOLE. Mr. President, I ask that the name of the Senator from Delaware be added as a cosponsor, and I yield back my time.

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

Mr. SYMINGTON. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Kansas.

The amendment was agreed to.

Several Senators addressed the Chair.

Mr. McINTYRE. Mr. President, I yielded the floor for 5 minutes to the Senator from Kansas. Who has the floor?

The PRESIDING OFFICER. The Senator from Missouri has the time in opposition.

Mr. SYMINGTON. Mr. President, I yielded to the Senator from New Hampshire, who had the floor, and he thereupon yielded to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from New Hampshire, of course, has the floor.

Mr. McINTYRE. I ask for 8 minutes.

Mr. President, how much time does the Senator from New Hampshire have?

The PRESIDING OFFICER. Thirty minutes.

Mr. McINTYRE. Mr. President, how much time do I have?

The PRESIDING OFFICER. Thirty minutes.

Mr. McINTYRE. Do I have 8 minutes?

Mr. SYMINGTON. I yield 8 minutes to the Senator.

Mr. McINTYRE. Mr. President, I must object strongly to the amendment proposed by Senator BUCKLEY which would, if adopted, be in direct contradiction to the principles underlying the SALT and ABM agreements of May 1972, and the agreements reached this year between President Nixon and Premier Brezhnev. In fact, it could undermine SALT II which is just now getting underway.

The amendment introduced by my colleague from New York would add $4 million to the fiscal year 1974 research and development program to initiate a research program to develop a missile guidance and control system that will aid Minuteman III and Poseidon, as well as other strategic ballistic missiles to achieve a yield-accuracy combination capable of attacking military as opposed to urban targets. The proposed amendment in its earlier form included the phrase "capable of performing the strategic counterforce mission." That phrase might just as well have been left in because the meaning of the new language is identical. Regardless of how you state it, it still means a first strike capability.

Mr. President, 2 years ago Senator BUCKLEY introduced two similar amendments to the procurement bill, one covering Minuteman and the other the Poseidon missile. The first was defeated by a voice vote and the second by a lopsided vote of 68 to 12. At that time the Department of Defense opposed Senator BUCKLEY'S amendments and stated the following reason in support of their opposition:

> The Defense Department cannot support the proposed amendment. It is the position of the United States to not develop a weapons system whose deployment could reasonably be construed by the Soviets as having a first strike capability. Such a deployment might provide an incentive for the Soviets to strike first.

Let me provide some additional background, which clearly establishes the position of the administration as well as the Department of Defense in opposing the objective of first-strike capability.

First. President Nixon wrote to my good friend from Massachusetts, Senator BROOKE, on December 29, 1969, and stated as follows:

> The purpose of our strategic program is to maintain our deterrent, not to direct any Nation with a first strike . . . there is no current U.S. program to develop a so-called hard-target MIRV capability.

Second. The Armed Services Committee, in reporting on the fiscal year 1971 military procurement bill deleted funds from the Air Force advanced ballistic reentry systems program and stated:

> This reduction relates to effort in support of any future hard-target kill capacity. Those efforts which are pointed toward strictly retaliatory objectives which can be met with substantially less accuracy and more modest yields than needed for the counter force mission are to be fully supported.

Third. The Congress denied funds requested in the fiscal year 1973 military procurement bill to begin development

of a more accurate, higher yield reentry vehicle for the Minuteman III missile.

The Department of Defense has refused to take a position on this amendment and I believe that they should be criticized for this lack of positive action. I am advised that the Armed Services Committee has had little cooperation by the Department of Defense in providing its position on many of the amendments which have been debated on the floor. Nevertheless, the position of the Department of Defense taken 2 years ago which I have quoted, in my opinion would apply equally if not more today.

By these specific statements of the President and the Department of Defense and by these positive actions of the Congress the objective of first strike, counterforce, hard target kill capability which are the stated objectives of improvements in guidance and control systems and, therefore, accuracy of our reentry vehicles, have been flatly rejected. Nothing has changed.

The stated position of the Department of Defense which I have quoted previously bears repeating:

It is the position of the United States to not develop a weapons system whose deployment could reasonably be construed by the Soviets as having a first strike capability. Such a deployment might provide an incentive for the Soviets to strike first.

Today, Mr. President, we have progressed far beyond the uncertainties which existed when the Senate rejected my distinguished colleague's amendments 2 years ago. Since that time the SALT I Interim strategic arms limitation agreement has been signed. The ABM treaty has been signed. Earlier this year the President and Premier Brezhnev signed a series of agreements which is a further step toward an early permanent agreement between the two nations limiting not only the quantity but also the quality of strategic nuclear weapons. Moreover, the President plans to visit the Soviet Union next year for the stated purpose of moving more rapidly toward such agreements. This could bring to earlier fruition the efforts which have just recently started in the SALT II negotiations.

Clearly, Mr. President, the atmosphere today is markedly improved as compared with that 2 years ago. While the tensions between the two countries remain high, substantial and meaningful progress has been made and hopefully will continue. We must in no way convey to the Soviets any impression that we are embarking upon the development of a capability which they could interpret as representing first strike. The change in the language of the amendment indicating that such a capability would be to attack military as opposed to urban targets has only one meaning and it is impossible for a potential adversary to distinguish between the capacity of a reentry vehicle to destroy hardened command centers or bridges, for example, and its ability to destroy hardened missile silos.

In conclusion, Mr. President, I would advise my colleagues not to rock the boat. Let us not undertake measures which would be regressive. While we are providing billions of dollars to improve and expand our strategic capability to provide against any eventuality, we must continue to strive toward the limitation of arms, the reduction of world tensions, and hopefully a mutual reduction of forces.

I am very delighted that the Senator from New York is going to withdraw his amendment.

Mr. STENNIS. Mr. President, may I ask the Senator to yield me 1 minute?

Mr. BUCKLEY. Mr. President, I am delighted to yield 1 minute to the Senator from Mississippi.

Mr. STENNIS. Mr. President, the Senator from New York mentioned this matter to me yesterday or the day before. I could not approve his amendment. I was opposed to it 2 years ago. On the merits, I would be against it now. But the request today was just for a promise that somewhere in the course of the next year, at some appropriate hearing, in some executive session, the Senator would have a chance to present this matter. I agreed to do that. I would do that for any other Senator here.

Mr. SYMINGTON. Mr. President, I yield myself 5 minutes.

Mr. President, I have listened with interest to the distinguished Senator from New York, and I read his amendment. I thought first it was going to be brought up for a vote.

I would hope that when the hearing is held on the subject of counter-force—another word for it is first strike—that it be held in public. To me the great tragedy in the whole concept of the effort to keep this country secure lies primarily in the nuclear field and the secrecy which surrounds the nuclear field. Recently, thanks to the efforts of many, including my friend the Senator from Rhode Island, more information about our nuclear capacity is being released than ever before.

It is true that in order to win World War II, we had to drop 2,240,000 tons of TNT on Europe and Japan. It is also true that that amount is but one-twenty-fifth of 1 percent of what we have in equivalent tonnage in our nuclear stockpile today.

With that premise, why, when these matters come up, can we not discuss them in an open session?

If the Soviet Union attacked us tonight, without warning, within 48 hours we would wipe them off the face of the Earth. We have our submarines, the Minuteman ICBM's, the strategic bombers, the forward based aircraft. Actually, we have four systems, not just the triad.

If we attacked the Soviet Union tonight and they did not know we were coming, within 48 hours there would be 100-million dead Americans.

So that would be, as I see it, a rather Pyhrric victory.

With that premise, let us get out in the open what is really available for the defense of the United States. Let us get the secrecy out of the picture, so the people can understand why it is that, even though the world has changed tremendously in recent years, certainly in the last 25 years, the Department of Defense, in effect, has changed not at all except that it now has more lethal weapons.

So I would hope—and I say this in all respect to my friend from New York—let us talk about this in the open, not in executive session.

Let the people of the United States know more about the strength of any possible enemy. And let the people of the United States know more about the true strength of this country in this field.

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

Mr. SYMINGTON. Mr. President, I would be glad to yield to the able and distinguished Senator from Massachusetts.

Mr. MAGNUSON. Mr. President, will the Senator from Massachusetts yield me 1 minute so that I might get an amendment at the desk. We are talking here about no amendment at all. This way there will be some business at the desk.

The PRESIDING OFFICER. An amendment is pending.

Mr. MAGNUSON. Oh, I thought the Senator withdrew it.

The PRESIDING OFFICER. He did not withdraw it.

Mr. MAGNUSON. Mr. President, I send to the desk my amendment and ask for the yeas and nays on my amendment when it is called up.

Mr. PASTORE. Mr. President, I ask for the yeas and nays on the Magnuson amendment when the amendment is called up.

The PRESIDING OFFICER. The Senator will have to ask unanimous consent that it be in order to ask for the yeas and nays.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays.

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

Mr. PASTORE. Mr. President, I ask for the yeas and nays on the Magnuson amendment when it is called up.

The yeas and nays were ordered.

Mr. SYMINGTON. Mr. President, I yield 5 minutes to the Senator from Massachusetts.

Mr. BROOKE. Mr. President, I have great respect for my colleague, the Senator from New York (Mr. BUCKLEY). However, I must confess that I was somewhat alarmed when I read the first version of his amendment to H.R. 9286 and the language which referred to the capability of carrying out the "counterforce mission."

I was somewhat pleased, but nevertheless found little solace in the changing of that language to read "capability of attacking military as opposed to urban targets."

In 1971 my distinguished colleague did present a similar amendment. When it was offered, I was personally so concerned at that time that I asked the President of the United States as to our position relative to seeking a first strike capability. I also asked the Defense Department.

My distinguished colleague, the Senator from New Hampshire (Mr. Mc-

INTYRE) has already given the response from the executive branch of our Government as to whether we were seeking a first-strike capability. The answer was that we were not.

Then in 1972, through some action in the House, I believe, some money was placed in the bill for funds that could be used to develop a hard target capability. Being alarmed again, I went to see the distinguished Senator from Mississippi (Mr. STENNIS), who was chairman of the conference. Even before 1971, the position of Senator STENNIS was that we did not need a capability whose primary purpose would have been to destroy enemy missiles and silos before they were launched. During the conference, the Senator from Mississippi was most effective in having those funds deleted from the bill.

I share with my distinguished colleague, the Senator from New York, the concern about the security of the United States and the peace of the world. In this regard, I have been somewhat encouraged by the SALT talks, and I have been somewhat encouraged by the direction in which both we and the Soviet Union have come. Frankly, I was prepared to spend as much time as possible on the floor to convince my colleagues that this amendment should be rejected. However, recognizing the lateness of the hour and knowing the Senator from New York's intention to withdraw his amendment, I ask unanimous consent that my prepared remarks be entered into the RECORD at this point.

Mr. President, today we have again heard expressed in developing a "hard target" capability for our nuclear arsenal. I had hoped that this particular form of nuclear irresponsibility had been abandoned once and for all in light of the intent of the Congress to forbid the development of this clearly destabilizing capability. Apparently this is not the case.

A decision by the United States to build and deploy the so-called "hard-target warhead" would represent a fundamental and dangerous change in this country's long-standing strategic policy. Such a drastic change in our nuclear weapons doctrine of deterrence must be made, if at all, only after close and careful scrutiny by the Congress and the executive branch.

A hard-target warhead capability would permit a country possessing it to move toward a credible first strike posture. This is an option which we have long decided to forego, because it would inevitably provoke others to try to protect their own security with new offensive and defensive weapons, and thus set off another round in the strategic arms race.

For over a decade, the security of the United States has rested successfully on a strategy of assured destruction. This policy dictates that the United States have the ability to inflict unacceptable destruction on any nation which attacks us, even after we absorb a barrage of nuclear-tipped missiles. This "second-strike" posture means that no adversary would escape sudden and widespread damage if it committed nuclear aggression against the United States. With our present array of nuclear weaponry, the threat of a second strike provides an awesome deterrent to nuclear adventurism.

President Nixon and former Defense Secretary Melvin Laird have reaffirmed the present administration's commitment to a second strike or assured destruction strategy in successive statements in 1969, 1970, and in 1972. The ABM Treaty and the Interim Agreement on Strategic Offensive Weapons—SALT I accords—signed with the Soviets in 1972, embody these principles by limiting ballistic missile defenses and placing a ceiling on offensive nuclear missile launchers and launch platforms. Both of the major nuclear powers have thus agreed to limit threats to each other's deterrent forces and to rely on a policy of mutual assured destruction to keep the peace between them.

The hard-target warhead has been aptly described as a system designed "to destroy enemy missiles in their silos before they are launched". It would allow its possessor to strike first and perhaps decimate an adversary's retaliatory force, so that the latter would be robbed of its own deterrent and thus its security. That is why such a missile is called a "counterforce" weapon. Faced with such a missile, an adversary can only be expected to seek drastic remedies, perhaps even a preemptive missile strike.

In the past, the Department of Defense declared that its policy was—

> Not to develop weapons systems whose deployments could reasonably be considered by the Soviets as having a first strike capability. Such deployment might provide an incentive for the Soviets to strike first.

This concern expressed by the Defense Department hits the nub of the problem with the hard-target warhead.

Even if the Soviet Union, confronted by a U.S. "hard target" capability, did not elect to attempt a preemptive strike, it would still be likely to build hard-target warheads of its own, as well as improved defenses against incoming missiles. These steps would void the SALT agreements and leave the United States and the U.S.S.R. on the very thin ice represented by a mutual surprise attack capability. Further, such steps would entail a serious setback to the hard-won gains in our relations with the Soviets over the last 5 years. Questions of increased trade and mutual cooperation in other spheres would be left dangling by the slender and uncertain thread of an imminent attack resulting from even the smallest disagreement or altercation, such as an incident at sea or diplomatic misunderstanding. And this uncertainty would further prompt both sides to serious contemplation of the advantages of a preemptive or first strike, with or without provocation.

To sum up, let me say that embarking on the precarious tightrope implicit in a counterforce or first-strike strategy means the loss of real gains in exchange for the prospect of greatly increased dangers and uncertainties in our security posture. Given the present American inventory of strategic weapons and those which we plan to build—such as Trident— to start a hard-target warhead program would not only be provocative, counterproductive, and dangerous to our own security; it would be superfluous. We do not need it for strategic purposes and it makes no sense as a bargaining chip, because it represents—like MIRV—the kind of threat to Soviet security on which they are unlikely to bargain, once the United States has such a system.

Rather than reversing our proven strategy of assured second-strike destruction, I recommend that we continue to depend on the twin pillars of security which have served us so well over the past years: A policy of deterrence plus sincere efforts to limit strategic weapons and especially destabilizing new armaments such as the hard-target warhead. We should only abandon this policy if a clear and present danger exists to its credibility and validity. Such a danger does not exist at present.

Mr. President, I am very pleased that my colleague does intend to withdraw the amendment. I see nothing wrong with having this matter considered by the Armed Services Committee. I think that it makes a lot of sense. Rationale arguments can be made on both sides. I would enjoy the opportunity to join with the Senator in the presentation of evidence before the Armed Service Committee. However, I would hope that that hearing would be open, as suggested by the distinguished acting floor manager of the bill, because I think the American people have the right to know what is discussed. If there is anything secret or classified, that part can be discussed in executive session.

I do hope that my colleagues would agree with the suggestion made by the distinguished Senator from Missouri that these hearings be open. I join with him in expressing the desire for an open hearing on this matter.

As strongly as I can do so, I oppose attempts by the Soviet Union, the United States, or any other country of the world to gain a first-strike capability.

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

Mr. BROOKE. I yield.

Mr. SYMINGTON. Mr. President, I am glad to hear the Senator's comment with respect to open hearings. As chairman of a subcommittee of the Joint Committee on Atomic Energy, we held hearings, beginning last March, with experts in the field of nuclear weapons. As a result of declassifying the testimony of the first witness General Giller of the AEC. The hearings disclosed information that was never known before to the American people.

Later, in May, we heard from the Deputy Assistant Secretary of Defense in charge of atomic matters, Dr. Walshe. They took out practically everything except the names of the witnesses; therefore, we sent back the document and said, "We are not satisfied with this declassification. The people of this country are putting up the money for all of these weapons, and they have a right to know something about it."

The document still remains in the Pentagon. We have not had any action on this.

Then in June we heard testimony from the general in charge of SHAEF, the supreme commander, General Good-

paster. And a couple of weeks ago I wired him and asked him where the testimony was, classified or declassified. He had taken it back and had said he would declassify it, but we did not hear anything further for many months.

We understand now that the testimony he took back to declassify is in the Pentagon. We hope that some months from now perhaps we will get a chance to look at that, too.

This whole situation has become rather absurd to me. I think that the Senator from New York could be making a real contribution to the people of this country if we are able to let them know what we are talking about. It costs the American people a great many billions of dollars.

Mr. BUCKLEY. Mr. President, it was not my idea to open the hearings. Nothing would make me happier than to have as full and open an exploration of all issues, because quite candidly I have far more confidence in the people of the United States making a sound decision for their own future than I do in this enlightened group.

Mr. BROOKE. Mr. President, I am pleased to hear my colleague say what he said, although I am not surprised that he did say it.

I am glad that we will follow this approach. We can do so for the edification of the American people and at the same time maintain our security.

Mr. CASE. Mr. President, if the Sentaor would yield, I would like to ask the Senator from Missouri if I am right in understanding that the excuse given by the Pentagon was that they do not want to find out how good we are at finding out information. Is that a correct understanding?

Mr. SYMINGTON. I honestly could not say.

Mr. CASE. I cannot imagine any other reason why this information is not forthcoming.

Mr. SYMINGTON. I do know we have three nuclear stockpiles. One is the stockpile we have in the countries overseas, and that runs thousands of times more than everything that was dropped in World War II. The second largest stockpile is what we have on our ships. But by far the largest stockpile is the stockpile back here at home.

For some strange reason, despite the billions upon billions of dollars the taxpayers are being forced to put up for national defense, we are not able to get these facts out to the people.

The PRESIDING OFFICER. Who yields time?

Mr. BROOKE. Mr. President, I would just like to propound one question that I think might be helpful.

I am concerned about the question of the definition of "hard-target kill" capability and the prohibition on development of the same.

I would like to ask the Senator if he would agree to forbid the use of any funds to develop, test, or procure a MIRV system in which an individual reentry vehicle possesses that combination of warhead yield and accuracy required to generate the equivalent of one-third the level of blast overpressures and related effects considered necessary to enable a single warhead to neutralize a hardened missile silo.

Mr. BUCKLEY. Mr. President, I would gladly approve such an amendment if one could obtain complete assurance from the Soviet Union that they would not develop a comparable warhead. That is the problem we run into on so many of these matters.

Mr. BROOKE. I see. I thank the Senator.

Mr. BUCKLEY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 10 minutes remaining.

Mr. BUCKLEY. I shall not use all that time. I am sensitive to the desires of others to go home.

I am delighted that we have had this experience. I think it emphasizes the differences that do exist.

This is a matter of such extreme importance that we need the largest quorum that is possible, in hearings open if possible, or closed if in the opinion of the Armed Services Committee that it is necessary. But I would like to make a couple of points, because I believe there is misunderstanding as to some vital issues reflected in the remarks made by the Senator from New Hampshire, the Senator from Missouri, and others.

There was a reference to an amendment which I had submitted almost 2 years ago to the day, and the reactions of the Department of Defense, and that has been cited as continuing policy. I would like to suggest that there has been a dramatic shift in the respective strategic positions of the Soviet Union and of the United States in the intervening years.

Two years ago, the strategic arms limitation talks were still in the process of negotiation, and obviously no one wanted any waves to be made.

In May of last year, those talks were concluded, and, to the surprise of many, they had the effect of freezing the Soviet Union with a quantitative advantage of 50 percent in each of the systems of strategic weapons covered by the agreement, but we were assured by the administration and by the military at that time that the Soviet Union was not likely to develop, in fact we were assured that they would not develop, the technology to take advantage of that quantitative throw-weight advantage they had much before 1977, by which time we would have SALT II.

Unfortunately, as has happened so often in the past, the Soviets were moving far more rapidly than our experts anticipated, and we know from what we have seen printed in recent weeks that they have a MIRV capability, and that in due course we can see that reflected in SALT.

The net effect is to give them a counterforce capability, or give them the potentiality of that capability, by the end of this decade. So we are not talking about moving in a direction that would cause them to rush to achieve this capability.

I think, too, when we start talking about a counterforce or a first strike, we should rid ourselves of notions from the context of the early sixties, when the McNamara doctrine of "assured destruction" first evolved. At that time, we did not have large numbers of missile-launching submarines deployed. At that time it was possible to conceive of a surprise strike that would completely obliterate the attacked nation's capacity to retaliate. That simply is not the fact today, and cannot be the fact, because each side has not only land-based missiles, but submarine-based missiles as well.

Even if this were not the case, we are not capable of striking Soviet strategic forces with that kind of effect. In my judgment, even if we were capable of delivering our entire inventory of warheads, because of the present limitation on numbers we could only attack and destroy a portion of the land-based Soviet armament.

What I am speaking about, and what I hope Senators will be thinking about in the hearings we will have early next year, is the need for providing flexibility and the need for providing the President with the option to respond to an attack on a basis other than the horror of destroying whole populations.

The distinguished Senator from Missouri (Mr. SYMINGTON) stated in his scenario that if we were to be attacked by the Soviets, we would destroy 50 or 60 million Russians. If in the year 1980 the Soviets, with the capability that they then would have to retaliate against our land-based missiles—which are in isolated sections of our country—thereby destroyed those missiles, but did not touch our population, I think it would be foolhardy and irresponsible for the President to press the button and destroy large cities of the Soviet Union, because to do so would be to invite the destruction of our people.

I welcome the agreement by the chairman to consider all this, and to consider the facts with an open mind, so that we may move into the next decade with military options designed to meet military objectives.

Mr. President, I ask unanimous consent that I may withdraw my amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment is withdrawn.

Mr. MAGNUSON. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with. I will explain it.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment ordered to be printed in the RECORD is as follows:

At the appropriate place in the bill add a new section as follows: viz:

PUBLIC HEALTH SERVICE HOSPITALS

SEC. —. (a) Except as provided in subsection (b), the Secretary of Health, Education, and Welfare shall take such action as may be necessary to assure that the

hospitals of the Public Health Service, located in Seattle, Washington, Boston, Massachusetts, San Francisco, California, Galveston, Texas, New Orleans, Louisiana, Baltimore, Maryland, Staten Island, New York, and Norfolk, Virginia, shall continue—

(1) in operation as hospitals of the Public Health Service.

(2) to provide for all categories of individuals entitled or authorized to receive care and treatment at hospitals or other stations of the Public Health Service inpatient, outpatient, and other health care services in like manner as such services were provided on January 1, 1973, to such categories of individuals at the hospitals of the Public Health Service referred to in the matter preceding paragraph (1) and at a level and range at least as great as the level and range of such services which were provided (or authorized to be provided) by such hospitals on such date, and

(3) to conduct at such hospitals a level and range of other health-related activities (including training and research activities) which is not less than the level and range of such activities which were being conducted on January 1, 1973 at such hospitals.

(b)(1) The Secretary may—

(A) close or transfer control of a hospital of the Public Health Service to which subsection (a) applies,

(B) reduce the level and range of health care services provided at such a hospital from the level and range required by subsection (a)(2) or change the manner in which such services are provided at such a hospital from the manner required by such subsection, or

(C) reduce the level and range of the other health-related activities conducted at such a hospital from the level and range required by subsection (a)(3), if Congress by law (enacted after the date of the enactment of this act) specifically authorizes such action.

(2) Any recommendation submitted to the Congress for legislation to authorize an action described in paragraph (1) with respect to a hospital of the Public Health Service shall be accompanied by a copy of the written, unqualified approval of the proposed action submitted to the Secretary by each (A) section 314(a) State health planning agency whose section 314(a) plan covers (in whole or in part) the area in which such hospital is located or which is served by such hosiptal, and (B) section 314(b) areawide health planning agency whose section 314(b) plan covers (in whole or in part) such area.

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

(c) Section 3 of the Emergency Health Personnel Act Amendments of 1972 is repealed.

Mr. MAGNUSON. Mr. President, my amendment concerns the eight Public Health Service hospitals and is identical to the Public Health Service hospital provision contained in the emergency medical services bill (S. 504) which was vetoed by the President. It is also identical to S. 2466, a bill I introduced on September 21, and which has been unanimously reported today to the floor by the Labor and Public Welfare Committee.

In fiscal year 1973, 26.4 percent of the hospitals' in-patients were active-duty or retired military personnel and military dependents. Consequently, the future of these hospitals has a direct bearing on the Armed Forces and it is entirely proper and germane that we consider this amendment in the course of our deliberations on H.R. 9286.

This amendment would not require that the hospitals be kept open forever. In fact, it lays out a definite procedure by which HEW may bring to Congress for our consideration their proposals and their alternatives, if they have any, to close or transfer these hospitals.

What the amendment would do is simply to assure that Congress, not HEW, will make the final decision about the future of these hospitals.

Mr. President, I do not believe it is necessary to discuss this amendment in any great detail because it is very familiar to the Senate. As I already noted, it was in the emergency medical services bill which was considered and approved by the Senate on three separate occasions. We passed the original bill to 79 to 13. We passed the conference report on the bill 97 to 0 and we voted 77 to 16 to override the President's veto.

Likewise, the emergency medical services bill containing this provision was approved three times by an overwhelming majority in the House.

And we all know, the only reason this provision is not law right now is because of just five votes in the House.

The health of America's servicemen and the health of all others served by these hospitals—and they serve many others—is far too important to be jeopardized by the vote of a small minority of the Members of one House in the Congress.

I urge the Senate to express its determination to keep these hospitals open by adopting this amendment.

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the military personnel who are dependent on these hospitals.

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

PHS HOSPITALS AND MILITARY PERSONNEL

According to HEW, in F.Y. 73, 26.4% of the PHS Hospital in-patients were active duty military personnel, retired military personnel, or military dependents. Following is a break-down of that 26.4%.

[In percent]

Active duty personnel	7.9
Retired personnel	7.6
Dependents of active duty personnel	3.1
Dependents of retired personnel	7.8
Total	26.4

Mr. MAGNUSON. Mr. President, in Baltimore, in San Francisco, and out in my own town of Seattle, these PHS hospitals comprise critically important health research resources. In Baltimore and Seattle both, for example, the PHS hospitals have excellent leukemia clinics that are saving lives.

We have checked the figures many times in the Appropriations Committee, and we find that the cost of transferring the in-patients out of these hospitals will cost far more in the long run than it will cost to keep these hospitals open.

Only yesterday the Subcommittee on HEW Appropriations, which I chair, approved appropriations to keep the hospitals open. That money will be in the HEW appropriations bill, when it is taken up in full committee Monday.

Mr. BEALL. Mr. President, will the Senator from Washington allow me to become a cosponsor of his amendment?

Mr. MAGNUSON. I will be happy to do so, but first, Mr. President, I ask unanimous consent that the Senator from Washington (Mr. JACKSON), the Senator from California (Mr. CRANSTON), the Senator from Texas (Mr. TOWER), the Senator from Maryland (Mr. BEALL), the Senator from Maryland (Mr. MATHIAS), and the Senator from Massachusetts (Mr. BROOKE) be added as cosponsors of this amendment.

The PRESIDING OFFICER (Mr. HOLLINGS). Without objection it is so ordered.

Mr. BEALL. Mr. President, will the Senator from Washington yieled?

Mr. MAGNUSON. I yield.

Mr. BEALL. Mr. President, the Senator from Washington makes a very valid point when he points out that this amendment does not make a determination as to whether the Government should be in the hospital business. But he says that if the Government is not going to be in the hospital business, then some orderly planning should be laid out so that the various communities will not be deprived of the capacity of the hospitals to provide care and not disrupt the delivery of hospital care services by abrupt action of HEW to close the hospitals.

I have had some firsthand experience with the hospital in Baltimore where a great many military people are served. If, in fact, that hospital should be closed, thousands of dependents of military personnel, active personnel, and retired personnel would not have any primary care medical care facility available to them in order to get the much-needed medical services they require.

Therefore, the distinguished Senator from Washington (Mr. MAGNUSON) is to be congratulated on this amendment.

Mr. CRANSTON. Mr. President, I want to express my deep admiration and considerable astonishment at the absolute determination of the distinguished Senator from Washington (Mr. MAGNUSON) to achieve what he wishes to achieve and then setting out to do it. He figures out the legislative strategy and the tactics to accomplish an objective and keeps at it until it is reached.

We have had here today another magnificent example of his ability to deliver when he offered his amendment on the Senate floor.

Mr. President, this measure is very important for two basic reasons. First, it is false economy to close the hospitals. It costs less per day to treat patients who need help in Federal hospitals than in community hospitals by a substantial margin. For the President to have

vetoed the bill on grounds of economy made absolutely no sense at all.

Second, the administration was required by law, passed by the 92d Congress, to report to Congress before closing any hospitals stating how it proposed to take care of its beneficiaries. The administration did not comply with that law. We should keep the hospitals open until they have presented evidence to Congress that those patients eligible for care are offered a real alternative.

The patients in these hospitals are members of the military, veterans, merchant marine, and others, who have served their country. They are entitled by statute to be given medical treatment by the Public Health Service hospitals. There is no certainty that they will receive that treatment if the hospitals are closed. Until assurances are given that these beneficiaries will receive a high quality of medical care wherever needed through an alternative system, I believe, the hospitals must be kept open.

For these and many other reasons, Mr. President, I strongly support and again applaud the efforts of the distinguished Senator from Washington.

Mr. MATHIAS. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. MATHIAS. Mr. President, I thank the distinguished Senator from Washington for yielding. I wanted to thank him for the initiative and energy he has shown in bringing this question before the Senate. I am happy to join him and associate myself with his remarks.

I should like merely to confirm the observations made by my colleague (Mr. BEALL). I think he is entirely right, that there is a continuing need for public health hospitals, and until there is an alternative we must maintain this service in order to keep good faith with the people with whom the Government has contract obligations.

I, therefore, hope that the Senate will support this legislation.

Mr. KENNEDY. Mr. President, I rise in strong support of the provisions of this amendment which is identical to the bill which was favorably reported today by the Labor Committee and which was introduced in the Senate by my friend and colleague, the distinguished Senator from Washington (Mr. MAGNUSON).

Mr. President, this amendment is identical to the provisions contained in S. 504, the emergency medical services, which overwhelmingly passed the Congress a few weeks ago. The original version of S. 504 passed the Senate by a vote of 79 to 13: the conference report was approved 97 to 0; and the Senate also voted to override the President's veto of S. 504 by a vote of 77 to 16.

S. 2466 which is identical to Senator MAGNUSON's amendment does not require that the PHS hospitals be continued in operation forever. Instead, it simply makes clear, once and for all, that Congress—rather than the Department of HEW—shall determine their future. The recommendations of the Department would, of course, be useful and welcome. In fact, the amendment seeks to elicit such recommendations by establishing a definite procedure by which the Department may bring its recommendations before the Congress.

But, while contemplating the likelihood that the Department will wish to bring to the Congress plans for closing, transferring, or altering the services of some or all of these hospitals, the amendment is quite clear in prohibiting the Department from closing, transferring, or reducing the services of these hospitals until such time as the Congress, by law, provides such action. I wish to emphasize the clarity of that prohibition in the amendment.

During previous congressional debate of the language now contained in S. 2466 and this amendment the concern was occasionally expressed that it unduly restricted the Department of HEW. I do not share that concern and suggest that the Department, provided that it complies fully with the bill itself, approach the question of the PHS hospitals' future just as it would in proposing a wholly new program to the Congress. In those commonplace circumstances the Department submits legislation to the Congress and then works together with the relevant committees to develop final legislation acceptable to both the Congress and the executive branch. Such an approach would be quite appropriate.

Mr. President, I want to again commend the author of this provision, Senator MAGNUSON. And, as chairman of the Health Subcommittee, I urge my colleagues to vote in favor of it.

Mr. JAVITS. Mr. President, I support the amendment offered by Senator MAGNUSON to provide for the continued operation of the Public Health Service hospitals. Just today, the Labor and Public Welfare Committee—of which I am the ranking minority member—favorably reported a separate bill (S. 2466) setting forth the provisions of this amendment.

The amendment continues Senator MAGNUSON's legislative leadership with regard to congressional intent in support of the continued operation of the hospitals.

The congressional commitment in respect to these facilities was conclusively established with the passage of Senate Concurrent Resolution 6 in the first session of the 92d Congress. The joint explanatory statement of the committee of conference stated:

> The Senate Concurrent Resolution expressed the sense of the Congress that all Public Health Service hospitals and outpatient clinics should remain open; that the administration should fund and staff these facilities at a sufficient level to allow them to perform their multiple responsibilities throughout fiscal year 1972, and that the Secretary of Health, Education, and Welfare and the Congress should explore the resources and capabilities of these facilities to determine which facilities should continue to be operated by the Public Health Service, which facilities should be converted to community operation, and which facilities, if any, should be closed.

Although I am gratified by Secretary Weinberger's decision in respect to the Staten Island Public Health Service hospital:

> We have decided that the Staten Island hospital is to continue its operation unchanged, and the Department presently has no plan either completed or under development to transfer to community hospitals the care now provided there on an inpatient or outpatient basis.

I am concerned that the Department of Health, Education, and Welfare has continued to proceed with plans to phase out the other PHS hospitals without giving due consideration to the provisions of Senate Concurrent Resolution 6.

There has been no evidence offered to support the HEW assertion that the beneficiary population of the hospitals would be better served if these hospitals were not operated by the Federal Government. Moreover, there has been no information to suggest that the beneficiaries share the conviction that they will be better served if the PHS hospitals were closed and they were referred to other community facilities. In fact, other beneficiary groups have successfully brought judicial actions in Federal courts in Seattle and New York to keep the hospitals open. In response to any allegations that it is not possible to continue the operation of the hospitals because of staff shortages, it is important to understand that the administration proposes to present Congress with the fait accompli, that is, first it encourages employees to leave and now it argues that the hospitals should be closed because of staff shortages. In response to the argument that to close the hospitals without congressional approval would fly in the face of sound administrative judgment makes no sense. There is nothing that would have precluded HEW from closing these hospitals if it had demonstrated with hard evidence that it can and will provide in some other fashion for those now being treated at the hospitals, for the health manpower training activities being carried on at the hospitals, and for the health research being conducted at the hospitals. Should Congress be expected to approve closure of the hospitals without that evidence and on the basis of the administration's assertions alone? It is argued that we should not require the 314(a) and 314(b) local planning agencies to approve any plans for closure of the hospitals. But this is based on the President's principle with respect to the decentralization of power, the returning of power to the people, and abhorrence of the idea that the Federal Government always knows best; and, moreover, 314(a) and 314(b) agencies were established pursuant to Federal law and receive Federal funds for the very purpose of participating in health planning at the State and local levels.

The PRESIDING OFFICER. Who yields time?

Mr. MAGNUSON. Mr. President, I yield back the remainder of my time.

Mr. TOWER. Mr. President, I yield back our time on this side.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Washington. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr.

BAYH), the Senator from Missouri (Mr. EAGLETON), the Senator from Hawaii (Mr. INOUYE), the Senator from Montana (Mr. METCALF), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Michigan (Mr. HART), the Senator from Colorado (Mr. HASKELL), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Maine (Mr. MUSKIE), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL) and the Senator from Louisiana (Mr. JOHNSTON) are absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "yea."

Mr. GRIFFIN. I announce that the Senators from Tennessee (Mr. BAKER and Mr. BROCK), the Senator from Kansas (Mr. DOLE), the Senator from Oregon (Mr. PACKWOOD), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from Virginia (Mr. WILLIAM L. SCOTT), the Senator from New Mexico (Mr. DOMENICI), the Senator from Arizona (Mr. GOLDWATER), the Senator from Florida (Mr. GURNEY), and the Senator from Wyoming (Mr. HANSEN) are necessarily absent.

I further announce that the Senator from Ohio (Mr. TAFT) is absent on official business.

I also announce that the Senator from Kansas (Mr. PEARSON) is absent because of illness.

I further announce that the Senator from Illinois (Mr. PERCY) is absent by leave of the Senate.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) would vote "nay."

The Senator from New Hampshire (Mr. COTTON) is absent because of illness in his family.

The result was announced—yeas 52, nays 19, as follows:

[No. 438 Leg.]

YEAS—52

Abourezk	Fulbright	Nunn
Aiken	Hartke	Pastore
Allen	Hatfield	Pell
Beall	Hathaway	Randolph
Bentsen	Hollings	Ribicoff
Bible	Huddleston	Schweiker
Biden	Hughes	Sparkman
Brooke	Jackson	Stevens
Burdick	Javits	Stevenson
Byrd, Robert C.	Long	Symington
Cannon	Magnuson	Talmadge
Case	Mansfield	Tower
Chiles	Mathias	Tunney
Church	McGee	Weicker
Clark	McIntyre	Williams
Cranston	Mondale	Young
Eastland	Montoya	
Ervin	Moss	

NAYS—19

Bartlett	Fannin	Proxmire
Bellmon	Fong	Roth
Bennett	Griffin	Saxbe
Buckley	Helms	Stafford
Cook	Hruska	Thurmond
Curtis	McClure	
Dominick	Nelson	

NOT VOTING—29

Baker	Byrd,	Dole
Bayh	Harry F., Jr.	Domenici
Brock	Cotton	Eagleton
Goldwater	Johnston	Percy
Gravel	Kennedy	Scott, Hugh
Gurney	McClellan	Scott,
Hansen	McGovern	William L.
Hart	Metcalf	Stennis
Haskell	Muskie	Taft
Humphrey	Packwood	
Inouye	Pearson	

So Mr. MAGNUSON's amendment was agreed to.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, on September 19, I met with the Secretary of the Air Force. As an ex-Air Force pilot, I was interested in the mandatory reduction in force of the number of people in the Air Force. I was particularly interested in the fact that this bill would mandate the release of 6,000 officers in this fiscal year.

When I inquired about the cost of that, I was told that it would cost $99 million for the one time involuntary separation costs to pay for this mandated reduction.

Interestingly, if that reduction were spread over 4 or 5 years, there would be a saving to the Government because of this plan for the utilization of the manpower involved being an annual reduction in force instead of an arbitrary action of Congress.

I have discussed the amendment with the able chairman, and I understand that the whole matter will be before the conference. I do not see how it could be resolved in the time left to consider this bill. Therefore, I bring this to the attention of the Senate.

Today I received a letter from the Secretary of the Air Force, John L. McLucas, which I ask unanimous consent to have printed in the RECORD so that the RECORD will be clear as to the effect of what we are doing in mandating reductions without regard to planning, that they will cost more than if we give them time under the schedule of reduction in forces and mandate the reduction in forces over a period of time, in which there would be a break between the cost and the savings, brought about because of the one-time cost involved with involuntary separation of officers from the Air Force.

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

DEPARTMENT OF THE AIR FORCE,
Washington, D.C., September 28, 1973.

DEAR SENATOR STEVENS: During our September 19th discussion, you asked about the impact on the Air Force of the proposed Senate reduction in Department of Defense manpower. Assuming that the Armed Services Committee suggested reduction of 37,000 were imposed on the Air Force, approximately 6,000 officers would have to be involuntarily released. In this regard, you specifically asked what the cost impacts and savings would be if such involuntary release actions were taken in one year or spread over a four- or five-year period.

If all 6,000 officers were involuntarily released in FY 1974, separation costs would amount to an estimated $99 million. There would be no offsetting savings in FY 1974 since the releases would now be so late in the year that no manyear savings would accrue. In succeeding years, savings in pay and allowances for these 6,000 officers would approximate $108 million per year.

If the release of the 6,000 officers were spread evenly over four years, separation costs would again amount to some $99 million ($24.7 million per year) but the planning lead time would permit the realization of $202.5 million in manyear savings over that period (none the first year and from $40.5 million to $94.5 million in each of the remaining three years.) The net impact of this alternative would be a four-year savings of $103.7 million.

If the release of the 6,000 officers were phased evenly over five years, the same $99 million cost would be applicable but a five-year savings of $259.2 million would accrue (again nothing in FY 1974 and from $32.5 million to $97.2 million in each of the remaining four years). The net impact of this course of action would be a five-year savings of $160.2 million.

A table is attached which portrays this information in tabular form. I trust that this information is responsive. Thank you for your interest in the Air Force.

Sincerely,

JOHN L. MCLUCAS,
Secretary of the Air Force.

	Fiscal year—					
	1974	1975	1976	1977	1978	Total
1-year RIF						
Cost	$99.0					$99.0
Savings						
Net	99.0					99.0
4-year RIF						
Cost	24.7	24.7	24.7	24.7		98.8
Savings		40.5	67.5	94.5		202.5
Net	24.7	15.8	42.8	69.8		103.7
5-year RIF						
Cost	19.8	19.8	19.8	19.8	19.8	99.0
Savings		32.4	54.0	75.6	97.2	259.2
Net	19.8	12.6	34.2	55.8	77.4	160.2

AMENDMENT NO. 557

The PRESIDING OFFICER (Mr. HOLLINGS). The Chair lays before the Senate the amendment of the Senator from Minnesota, which the clerk will state.

The second assistant legislative clerk read as follows:

At the appropriate place in the Act, add a new section as follows:

SPENDING CEILING

"SEC. —. Notwithstanding any other provision of this Act, the total amount of money authorized to be appropriated under the provisions of this Act shall not exceed $20,197,700,000."

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Minnesota (Mr. HUMPHREY) I yield to the distinguished majority leader.

The PRESIDING OFFICER. The majority leader is recognized.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of calling up Executive O, Executive J, Executive G, Executive M, Executive S, and Executive K on the Executive Calendar.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider executive business.

INTERNATIONAL COFFEE AGREEMENT 1968, AS EXTENDED—AGREEMENT WITH CANADA FOR PROMOTION OF SAFETY ON THE GREAT LAKES BY MEANS OF RADIO, 1973; CONVENTION FOR THE PROTECTION OF PRODUCERS OF PHONOGRAMS; EXTRADITION TREATY WITH ITALY; TREATY ON EXTRADITION WITH PARAGUAY; TREATY ON EXTRADITION AND COOPERATION IN PENAL MATTERS WITH URUGUAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the treaties and agreements be considered collectively at this time, passed through the proper readings today, with the vote to be undertaken on Monday next.

All of these treaties were reported from the Committee on Foreign Relations unanimously and I urge the Senate at the appropriate time to give them approval.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the six treaties, being Executive O, 93d Congress, 1st session, the International Coffee Agreement 1968, as extended; Executive J, 93d Congress, 1st session, agreement with Canada for Promotion of Safety on the Great Lakes by Means of Radio, 1973; Executive G, 93d Congress, 1st session, Convention for the Protection of Producers of Phonograms; Executive M, 93d Congress, 1st session, Extradition Treaty with Italy; Executive S, 93d Congress, 1st session, Extradition Treaty with Paraguay; and Executive K, 93d Congress, 1st session, Treaty with Uruguay on Extradition and Cooperation in Penal Matters; which were read the second time, as follows:

INTERNATIONAL COFFEE AGREEMENT, 1968; AS EXTENDED

PREAMBLE

(Modified)

The Governments Parties to this Agreement,

Recognizing the exceptional importance of coffee to the economies of many countries which are largely dependent upon this commodity for their export earnings and thus for the continuation of their development programmes in the social and economic fields;

Considering that close international cooperation on coffee marketing will stimulate the economic diversification and development of coffee-producing countries and thus contribute to a strengthening of the political and economic bonds between producers and consumers;

Finding reason to expect a tendency toward persistent disequilibrium between production and consumption (* * *) and pronounced fluctuations in prices which can be harmful both to producers and to consumers;

(* * *)

Noting that it has not been possible to complete the negotiation of a new International Coffee Agreement and that additional time is required for this purpose,

Have agreed as follows:

CHAPTER I—OBJECTIVES

ARTICLE 1

(Modified)

Objectives

The objectives of the Agreement are:

(1) to preserve and promote the understanding between producers and consumers necessary for the conclusion of a new International Coffee Agreement and to avoid the consequences prejudicial to both which would result from the termination of international co-operation;

(2) to preserve the International Coffee Organization:

(a) as a forum for the negotiation of a new Agreement;

(b) as a competent and effective centre for the collection and dissemination of statistical information on the international trade in coffee, in particular on prices, exports, imports, stocks, distribution and consumption of coffee and on production and production trends.

CHAPTER II—DEFINITIONS

ARTICLE 2

(Modified)

Definitions

For the purposes of the Agreement:

(1) "Coffee" means the beans and berries of the coffee tree, whether parchment, green or roasted, and includes ground, decaffeinated, liquid and soluble coffee. These terms shall have the following meaning:

(a) "green coffee" means all coffee in the naked bean form before roasting;

(b) "coffee berries" means the complete fruit of the coffee tree; to find the equivalent of coffee berries to green coffee, multiply the net weight of the dried coffee berries by 0.50;

(c) "parchment coffee" means the green coffee bean contained in the parchment skin; to find the equivalent of parchment coffee to green coffee, multiply the net weight of the parchment coffee by 0.80;

(d) "roasted coffee" means green coffee roasted to any degre and includes ground coffee; to find the equivalent of roasted coffee to green coffee, multiply the net weight of roasted coffee by 1.19;

(e) "decaffeinated coffee" means green, roasted or soluble coffee from which caffein has been extracted; to find the equivalent of decaffeinated coffee to green coffee, multiply the weight of the decaffeinated coffee in green, roasted or soluble form by 1.00, 1.19 or 3.00 respectively;

(f) "liquid coffee" means the water-soluble solids derived from roasted coffee and put into liquid form; to find the equivalent of liquid to green coffee, multiply the net weight of the dried coffee solids contained in the liquid coffee by 3.00;

(g) "soluble coffee" means the dried water-soluble solids derived from roasted coffee; to find the equivalent of soluble coffee to green coffee, multiply the net weight of the soluble coffee by 3.00.

(2) "Bag" means 60 kilogrammes or 132.276 pounds of green coffee; "ton" means a metric ton of 1,000 kilogrammes or 2,204.6 pounds; and "pound" means 453.597 grammes.

(3) "Coffee year" means the period of one year, from 1 October through 30 September.

(4) *"Export of coffee" means any shipment of coffee which leaves the territory of the country in which the coffee is grown save that the shipment of coffee from any of the dependent territories of a Member to its metropolitan territory or to another of its dependent territories for domestic consumption therein or in any other of its dependent territories shall not be considered as the export of coffee.*

(5) "Organization", "Council" and "Board" mean, respectively, the International Coffee Organization, the International Coffee Council, and the Executive Board referred to in Article 7 of the Agreement.

(6) "Member" means a Contracting Party *including an intergovernmental organization which, as provided for in Article 3, has acceded to the Agreement;* a dependent territory or territories in respect of which separate Membership has been declared under Article 4; or two or more Contracting Parties or dependent territories, or both, which participate in the Organization as a Member group under Article 5 or 6.

(7) "Exporting Member" or "exporting country" means a Member or country, respectively, which is a net exporter of coffee; that is, whose exports exceed its imports.

(8) "Importing Member" or "importing country" means a Member or country, respectively, which is a net importer of coffee; that is, whose imports exceed its exports.

(9) "Producing Member" or "producing country" means a Member or country, respectively, which grows coffee in commercially significant quantities.

(10) "Distributed simple majority vote" means a majority of the votes cast by exporting Members present and voting, and a majority of the votes cast by importing Members present and voting, counted separately.

(11) "Distributed two-thirds majority vote" means a two-thirds majority of the votes cast by exporting Members present and voting and a two-thirds majority of the votes cast by importing Members present and voting, counted separately.

(12) [Deleted.]

(13) "Exportable production" means the total production of coffee of an exporting country in a given coffee year less the amount destined for domestic consumption in the same year.

(14) "Availability for export" means the exportable production of an exporting country in a given coffee year plus accumulated stocks from previous years.

(15) [Deleted.]

(16) [Deleted.]

(17) [Deleted.]

CHAPTER III—MEMBERSHIP

ARTICLE 3

(Modified)

Membership in the Organization

(1) Each Contracting Party, together with those of its dependent territories to which the Agreement is extended under paragraph (1) of Article 65, shall constitute a single Member of the Organization, except as otherwise provided under Articles 4, 5, and 6.

(2) A Member may change its category of Membership, previously declared as approval, ratification, acceptance or accession to the Agreement, on such conditions as the Council may agree.

(3) *Any reference in this Agreement to a Government shall be construed as including a reference to the European Economic Community or an intergovernmental organization having comparable responsibilities in respect to the negotiation, conclusion and application of international agreements, in particular commodity agreements. Accordingly, reference in this Agreement to accession by a Government under the provisions of Article 63 shall be construed as including a reference to accession by such an intergovernmental organization.*

(4) *Such an intergovernmental organization shall not itself have any votes but in the case of a vote on matters within its competence, it shall be entitled to cast the votes of its member States and shall cast them collectively. In such cases, the member States of such an intergovernmental organization shall not be entitled to exercise their individual voting rights.*

(5) *The provisions of paragraph (1) of Article 15 shall not apply to such an intergovernmental organization but it may participate in the discussions of the Executive Board on matters within its competence. In the case of a vote on matters within its competence and notwithstanding the provisions of paragraph (1) of Article 18 the votes which its member States are entitled to cast in the Executive Board shall be cast collectively by any one of those member States.*

ARTICLE 4

Separate Membership in Respect of Dependent Territories

Any Contracting Party which is a net importer of coffee may, at any time, by appropriate notification in accordance with paragraph (2) of Article 65, declare that it is participating in the Organization separately with respect to any of its dependent territories which are net exporters of coffee and which it designates. In such case, the metropolitan territory and its non-designated dependent territories will have a single Membership, and its designated dependent territories, either individually or collectively as the notification indicates, will have separate Membership.

ARTICLE 5

(Modified)

Group Membership Upon Joining the Organization

(1) Two or more Contracting Parties which are net exporters of coffee may, by appropriate notification to the Secretary-General of the United Nations at the time of deposit of their respective instruments of (. . .) acceptance or accession and to the Council, declare that they are joining the Organization as a Member group. A dependent territory of which the Agreement has been extended under paragraph (1) of Article 65 may constitute part of such a Member group if the Government of the State responsible for its international relations has given appropriate notification thereof under paragraph (2) of Article 65. Such Contracting Parties and dependent territories must satisfy the following conditions:

(*a*) they shall declare their willingness to accept responsibility for group obligations in an individual as well as a group capacity;

(*b*) they shall subsequently provide sufficient evidence to the Council that the group has the organization necessary to implement a common coffee policy, and that they have the means of complying, together with the other parties to the group, with their obligations under the Agreement; and

(*c*) they shall subsequently provide evidence to the Council either:

(i) that they have been recognized as a group in a previous international coffee agreement; or

(ii) that they have:

(*a*) a common or co-ordinated commercial and economic policy in relation to coffee; and

(*b*) a co-ordinated monetary and financial policy, as well as the organs necessary for implementing such a policy, so that the Council is satisfied that the Member group can comply with the spirit of group membership and the group obligations involved.

(2) The Member group shall constitute a single Member of the Organization, except that each party to the group shall be treated as if it were a single Member as regards all matters arising under the following provisions:

(*a*) [Deleted.]

(*b*) Articles 10, 11 and 19 of Chapter IV; and

(*c*) Article 68 of Chapter XX.

(3) The Contracting Parties and dependent territories joining as a Member group shall specify the Government or organization which will represent them in the Council as regards all matters arising under the Agreement other than those specified in paragraph (2) of this Article.

(4) The Member group's voting rights shall be as follows:

(*a*) the Member group shall have the same number of basic votes as a single Member country joining the Organization in an individual capacity. These basic votes shall be attributed to and exercised by the Government or organization representing the group;

(*b*) in the event of a vote on any matters arising under provisions specified in paragraph (2) of this Article, the parties to the Member group may exercise separately the votes attributed to them by the provisions of paragraph (3) of Article 12 as if each were an individual Member of the Organization, except for the basic votes, which shall remain attributable only to the Government or organization representing the group.

(5) Any Contracting Party or dependent territory which is a party to a Member group may, by notification to the Council, withdraw from that group and become a separate Member. Such withdrawal shall take effect upon receipt of the notification by the Council. In case of such withdrawal from a group, or in case a party to a group ceases, by withdrawal from the Organization or otherwise, to be such a party, the remaining parties to the group may apply to the Council to maintain the group, and the group shall continue to exist unless the Council disapproves the application. If the Member group is dissolved, each former party to the group will become a separate Member. A Member which has ceased to be a party to a group may not, as long as the Agreement remains in force, again become a party to a group.

ARTICLE 6

Subsequent Group Membership

Two or more exporting Members may, at any time after the Agreement has entered into force with respect to them, apply to the Council to form a Member group. The Council shall approve the application if it finds that the Members have made a declaration, and have provided evidence, satisfying the requirements of paragraph (1) of Article 5. Upon such approval, the Member group shall be subject to the provisions of paragraphs (2), (3), (4) and (5) of that Article.

CHAPTER IV— ORGANIZATION AND ADMINISTRATION

ARTICLE 7

Seat and Structure of the International Coffee Organization

(1) The International Coffee Organization established under the 1962 Agreement shall continue in being to administer the provisions and supervise the operation of the Agreement.

(2) The seat of the Organization shall be in London unless the Council by a distributed two-thirds majority vote decides otherwise.

(3) The Organization shall function through the International Coffee Council, its Executive Board, its Executive Director and its staff.

ARTICLE 8

Composition of the International Coffee Council

(1) The highest authority of the Organization shall be the International Coffee Council, which shall consist of all the Members of the Organization.

(2) Each Member shall be represented on the Council by a representative and one or more alternates. A Member may also designate one or more advisers to accompany its representative or alternates.

ARTICLE 9

Powers and Functions of the Council

(1) All powers specifically conferred by the Agreement shall be vested in the Council, which shall have the powers and perform the functions necessary to carry out the provisions of the Agreement.

(2) The Council shall, by a distributed two-thirds majority vote, establish such rules and regulations, including its own rules of procedure and the financial and staff regulations of the Organization, as are necessary to carry out the provisions of the Agreement and are consistent therewith. The Council may, in its rules of procedure, provide a procedure whereby it may, without meeting, decide specific questions.

(3) The Council shall also keep such records as are required to perform its functions under the Agreement and such other records as it considers desirable. The Council shall publish an annual report.

ARTICLE 10

Election of the Chairman and Vice-Chairman of the Council

(1) The Council shall elect, for each coffee year, a Chairman and a first, a second and a third Vice-Chairman.

(2) As a general rule, the Chairman and the first Vice Chairman shall both be elected either from among the representatives of exporting Members, or from among the representatives of importing Members, and the second and the third Vice-Chairman shall be elected from representatives of the other category of Members. These offices shall alternate each coffee year between the two categories of Members.

(3) Neither the Chairman nor any Vice-Chairman acting as Chairman shall have the right to vote. His alternate will in such case exercise the Member's voting rights.

ARTICLE 11

Sessions of the Council

As a general rule, the Council shall hold regular sessions twice a year. It may hold special sessions if it so decides. Special sessions shall also be held when either the Executive Board, or any five Members, or a Member or Members having at least 200 votes so request. Notice of sessions shall be given at least thirty days in advance, except in cases of emergency. Sessions shall be held at the seat of the Organization, unless the Council decides otherwise.

ARTICLE 12

(Modified)

Votes

(1) The exporting Members shall together hold 1,000 votes and the importing Members shall together hold 1,000 votes, distributed within each category of Members—that is, exporting and importing Members, respectively—as provided in the following paragraphs of this Article.

(2) Each Member shall have five basic votes, provided that the total number of basic votes within each category of Members does not exceed 150. Should there be more than thirty exporting Members or more than thirty importing Members, the number of basic votes for each Member within that category of Members shall be adjusted so as to keep the number of basic votes for each category of Members within the maximum of 150.

(3) *The remaining votes of exporting Members shall be as set out in Annex D.*

(4) The remaining votes of importing Members shall be divided among those Members in proportion to the average volume of their respective coffee imports in the preceding three-year period.

(5) The distribution of votes shall be determined by the Council at the beginning of each coffee year and shall remain in effect during that year, except as provided in paragraph (6) of this Article.

(6) The Council shall provide for the redistribution of votes in accordance with this Article whenever there is a change in the Membership of the Organization, or if the voting rights of a Member are suspended or regained under the provisions of Article 25 (—).

(7) No Member shall hold more than 400 votes.

(8) There shall be no fractional votes.

ARTICLE 13

Voting Procedure of the Council

(1) Each representative shall be entitled to cast the number of votes held by the Member represented by him, and cannot divide its votes. He may, however, cast differ-

ently any votes which he exercises pursuant to paragraph (2) of this Article.

(2) Any exporting Member may authorize any other exporting Member, and any importing Member may authorize any other importing Member, to represent its interests and to exercise its right to vote at any meeting or meetings of the Council. The limitation provided for in paragraph (7) of Article 12 shall not not apply in this case.

ARTICLE 14

Decisions of the Council

(1) All decisions of the Council shall be taken, and all recommendations shall be made, by a distributed simple majority vote unless otherwise provided in the Agreement.

(2) The following procedure shall apply with respect to any action by the Council which under the Agreement requires a distributed two-thirds majority vote:

(*a*) if a distributed two-thirds majority vote is not obtained because of the negative vote of three or less exporting or three or less importing Members, the proposal shall, if the Council so decides by a majority of the Members present and by a distributed simple majority vote, be put to a vote again within 48 hours;

(*b*) if a distributed two-thirds majority vote is again not obtained because of the negative vote of two or less importing or two or less exporting Members, the proposal shall, if the Council so decides by a majority of the Members present and by a distributed simple majority vote, be put to a vote again within 24 hours;

(*c*) if a distributed two-thirds majority vote is not obtained in the third vote because of the negative vote of one exporting Member or one importing Member, the proposal shall be considered adopted;

(*d*) if the Council fails to put a proposal to a further vote, it shall be considered rejected.

(3) The Members undertake to accept as binding all decisions of the Council under the provisions of the Agreement.

ARTICLE 15

Composition of the Board

(1) The Executive Board shall consist of eight exporting Members and eight importing Members, elected for each coffee year in accordance with Article 16. Members may be re-elected.

(2) Each member of the Board shall appoint one representative and one or more alternates.

(3) The Chairman of the Board shall be appointed by the Council for each coffee year and may be re-appointed. He shall not have the right to vote. If a representative is appointed Chairman, his alternate will have the right to vote in his place.

(4) The Board shall normally meet at the seat of the Organization, but may meet elsewhere.

ARTICLE 16

Election of the Board

(1) The exporting and the importing Members on the Board shall be elected in the Council by the exporting and the importing Members of the Organization respectively. The election within each category shall be held in accordance with the following paragraphs of this Article.

(2) Each Member shall cast all the votes to which it is entitled under Article 12 for a single candidate. A Member may cast for another candidate any votes which it exercises pursuant to paragraph (2) of Article 13.

(3) The eight candidates receiving the largest number of votes shall be elected; however, no candidate shall be elected on the first ballot unless it receives at least 75 votes.

(4) If under the provisions of paragraph (3) of this Article less than eight candidates are elected on the first ballot, further ballots shall be held in which only Members which did not vote for any of the candidates elected shall have the right to vote. In each further ballot, the minimum number of votes required for election shall be successively diminished by five until eight candidates are elected.

(5) Any Member which did not vote for any of the Members elected shall assign its votes to one of them, subject to paragraphs (6) and (7) of this Article.

(6) A Member shall be deemed to have received the number of votes originally cast for it when it was elected and, in addition, the number of votes assigned to it, provided that the total number of votes shall not exceed 499 for any Member elected.

(7) If the votes deemed received by an elected Member would otherwise exceed 499, Members which voted for or assigned their votes to such elected Member shall arrange among themselves for one or more of them to withdraw their votes from that Member and assign or reassign them to another elected Member so that the votes received by each elected Member shall not exceed the limit of 499.

ARTICLE 17

(Modified)

Competence of the Board

(1) The Board shall be responsible to and work under the general direction of the Council.

(2) The Council by a distributed simple majority vote may delegate to the Board the exercise of any or all of its powers, other than the following:

(*a*) approval of the administrative budget and assessment of contributions under Article 24;

(*b*) (*c*) (*d*) (*e*) [All deleted.]

(*f*) waiver of the obligations of a Member under Article 57;

(*g*) [Deleted.].

(*h*) establishment of conditions for accession under Article 63;

(*i*) a decision to require the withdrawal of a Member under Article 67;

(*j*) (* * *) termination of the Agreement under Article 69; and

(*k*) recommendation of amendments to Members under Article 70.

(3) The Council by a distributed simple majority vote may at any time revoke any delegation of powers to the Board.

ARTICLE 18

Voting Procedure of the Board

(1) Each member of the Board shall be entitled to cast the number of votes received by it under the provisions of paragraphs (6) and (7) of Article 16. Voting by proxy shall not be allowed. A member may not split its votes.

(2) Any action taken by the Board shall require the same majority as such action would require if taken by the Council.

ARTICLE 19

Quorum for the Council and the Board

(1) The Council shall appoint the Executive Director on the recommendation of the of the Members representing a distributed two-thirds majority of the total votes. If there is no quorum on the day appointed for the opening of any Council session, or if in the course of any Council session there is no quorum at three successive meetings, the Council shall be convened seven days later; at that time and throughout the remainder of that session the quorum shall be the presence of a majority of the Members representing a distributed simple majority of the votes. Representation in accordance with paragraph (2) of Article 13 shall be considered as presence.

(2) The quorum for any meeting of the Board shall be the presence of a majority of the members representing a distributed two-thirds majority of the total votes.

ARTICLE 20

The Executive Director and the Staff

(1) The quorum for any meeting of the Council shall be the presence of a majority

Board. The terms of appointment of the Executive Director shall be established by the Council and shall be comparable to those applying to corresponding officials of similar inter-governmental organizations.

(2) The Executive Director shall be the chief administrative officer of the Organization and shall be responsible for the performance of any duties devolving upon him in the administration of the Agreement.

(3) The Executive Director shall appoint the staff in accordance with regulations established by the Council.

(4) Neither the Executive Director nor any member of the staff shall have any financial interest in the coffee industry, coffee trade, or coffee transportation.

(5) In the performance of their duties, the Executive Director and the staff shall not seek or receive instructions from any Member or from any other authority external to the Organization. They shall refrain from any action which might reflect on their position as international officials responsible only to the Organization. Each Member undertakes to respect the exclusively international character of the responsibilities of the Executive Director and the staff and not to seek to influence them in the discharge of their responsibilities.

ARTICLE 21

Co-operation With Other Organizations

The Council may make whatever arrangements are desirable for consultation and co-operation with the United Nations and its specialized agencies and with other appropriate inter-governmental organizations. The Council may invite these organizations and any organizations concerned with coffee to send observers to its meetings.

CHAPTER V—PRIVILEGES AND IMMUNITIES

ARTICLE 22

Privileges and Immunities

(1) The Organization shall have legal personality. It shall in particular have the capacity to contract, acquire and dispose of movable and immovable property and to institute legal proceedings.

(2) The Government of the country in which the headquarters of the Organization is situated (hereinafter referred to as "the host Government") shall conclude with the Organization as soon as possible an agreement to be approved by the Council relating to the status, privileges and immunities of the Organization, of its Executive Director and its staff and of representatives of Members while in the territory of the host Government for the purpose of exercising their functions.

(3) The agreement envisaged in paragraph (2) of this Article shall be independent of the present Agreement and shall prescribe the conditions for its termination.

(4) Unless any other taxation arrangements are implemented under the agreement envisaged in paragraph (2) of this Article the host Government:

(*a*) shall grant exemption from taxation on the remuneration paid by the Organization to its employees, except that such exemption need not apply to nationals of that country, and

(*b*) shall grant exemption from taxation on the assets, income and other property of the Organization.

(5) Following the approval of the agreement envisaged in paragraph (2) of this Article, the Organization may conclude with one or more other Members agreements to be approved by the Council relating to such privileges and immunities as may be necessary for the proper functioning of the International Coffee Agreement.

CHAPTER VI—FINANCE

ARTICLE 23

Finance

(1) The expenses of delegations to the Council, representatives on the Board, and representatives on any of the committees of

the Council or the Board will be met by their respective Governments.

(2) The other expenses necessary for the administration of the Agreement shall be met by annual contributions from the Members assessed in accordance with Article 24. However, the Council may levy fees for specific services.

(3) The financial year of the Organization shall be the same as the coffee year.

ARTICLE 24

Determination of the Budget and Assessment of Contributions

(1) During the second half of each financial year the Council shall approve the administrative budget of the Organization for the following financial year and shall assess the contribution of each Member to that budget:

(2) The contribution of eacn Member to the budget for each financial year shall be in the proportion which the number of its votes at the time the budget for that financial year is approved bears to the total votes of all the Members. However, if there is any change in the distribution of votes among Members in accordance with the provisions of paragraph (5) of Article 12 at the beginning of the financial year for which contributions are assessed, sucn contributions shall be correspondingly adjusted for that year. In determining contributions, the votes of each Member shall be calculated without regard to the suspension oi any Member's voting rights or any redistribution of votes resulting therefrom.

(3) The initial contribution of any Member joining the Organization after the entry into force of the Agreement shall be assessed by the Council on the basis of the number of votes to be held by it and the period remaining in the current financial year, but the assessments made upon other Members for the current financial year shall not be altered.

ARTICLE 25

(Modified)

Payment of Contributions

(1) Contributions to the administrative budget for each financial year shall be payable in freely convertible currency, and shall become due on the first day of that financial year.

(2) If any Member fails to pay its full contribution to the administrative budget within six months of the date on which the contribution is due, both its voting rights in the Council and its right to have its votes cast in the Board shall be suspended until such contribution has been paid. However, unless the Council by a distributed two-thirds majority vote so decides, such Member shall not be deprived of any of its other rights nor relieved of any of its obligations under the Agreement.

(3) Any Member whose voting rights have been suspended under paragraph (2) of this Article (* * *) shall nevertheless remain responsible for the payment of its contribution.

ARTICLE 26

Audit and Publications of Accounts

As soon as possible after the close of each financial year an independent audited statement of the Organization's receipts and expenditures during that financial year shall be presented to the Council for approval and publication.

CHAPTER VII—REGULATION OF EXPORTS

ARTICLE 27

General Undertakings by Members

[Deleted.]

ARTICLE 28

Basic Export Quotas

[Deleted.]

ARTICLE 29

Basic Export Quota of a Member Group

[Deleted.]

ARTICLE 30

Fixing of Annual Export Quotas

[Deleted.]

ARTICLE 31

Additional Provisions Concerning Basic and Annual Export Quotas

[Deleted.]

ARTICLE 32

Fixing of Quarterly Export Quotas

[Deleted.]

ARTICLE 33

Adjustment of Annual Export Quotas

[Deleted.]

ARTICLE 34

Notification of Shortfalls

[Deleted.]

ARTICLE 35

Adjustment of Quarterly Export Quotas

[Deleted.]

ARTICLE 36

Procedure for Adjusting Export Quotas

[Deleted.]

ARTICLE 37

Additional Provisions for Adjusting Export Quotas

[Deleted.]

ARTICLE 38

Compliance with Export Quotas

[Deleted.]

ARTICLE 39

Shipments of Coffee from Dependent Territories

[Deleted.]

ARTICLE 40

Exports not Charged to Quotas

[Deleted.]

ARTICLE 41

Regional and Inter-regional Price Arrangements

[Deleted.]

ARTICLE 42

Survey of Market Trends

[Deleted.]

CHAPTER VIII—CERTIFICATES OF ORIGIN AND RE-EXPORT

ARTICLE 43

Certificates of Origin and Re-export

[Deleted.]

CHAPTER IX—PROCESSED COFFEE

ARTICLE 44

Measures relating to Processed Coffee

[Deleted.]

CHAPTER X—REGULATION OF IMPORTS

ARTICLE 45

Regulation of Imports

[Deleted.]

CHAPTER XI—INCREASE OF CONSUMPTION

ARTICLE 46

Promotion

[Deleted.]

ARTICLE 47

Removal of Obstacles to Consumption

[Deleted.]

CHAPTER XII—PRODUCTION POLICY AND CONTROLS

ARTICLE 48

Production Policy and Controls

[Deleted.]

CHAPTER XIII—REGULATION OF STOCKS

ARTICLE 49

Policy Relative to Coffee Stocks

[Deleted.]

CHAPTER XIV—MISCELLANEOUS OBLIGATIONS OF MEMBERS

ARTICLE 50

Consultation and Co-operation with the Trade

[Deleted.]

ARTICLE 51

Barter

[Deleted.]

ARTICLE 52

Mixtures and Substitutes

(1) Members shall not maintain any regulations requiring the mixing, processing or using of other products with coffee for commercial resale as coffee. Members shall endeavour to prohibit the sale and advertisement of products under the name of coffee if such products contain less than the equivalent of 90 percent of green coffee as the basic raw material.

(2) The Executive Director shall submit to the Council an annual report on compliance with the provisions of this Article.

(3) The Council may recommend to any Member that it take the necessary steps to ensure observance of the provisions of this Article.

CHAPTER XV—SEASONAL FINANCING

ARTICLE 53

Seasonal Financing

[Deleted.]

CHAPTER XVI—DIVERSIFICATION FUND

ARTICLE 54

Diversification Fund

[Deleted.]

CHAPTER XVII—INFORMATION AND STUDIES

ARTICLE 55

(Modified)

Information

(1) The Organization shall act as a centre for the collection, exchange and publication of:

(*a*) statistical information on world production, *production trends,* prices, exports and imports, distribution and consumption of coffee; and

(*b*) insofar as is considered appropriate, technical information on the cultivation, processing and utilization of coffee.

(2) The Council may require Members to furnish such information as it considers necessary for its operations including regular statistical reports on coffee production, *production trends,* exports and imports, distribution, consumption, stocks and taxation, but no information shall be published which might serve to identify the operations of persons or companies producing, processing or marketing coffee. The Members shall furnish information requested in as detailed and accurate a manner as is practicable.

(3) If a Member fails to supply, or finds difficulty in supplying, within a reasonable time, statistical and other information required by the Council for the proper functioning of the Organization, the Council may require the Member concerned to explain the reasons for non-compliance. If it is found that technical assistance is needed in the matter, the Council may take any necessary measures.

ARTICLE 56

Studies

(1) The Council may promote studies in the fields of the economics of coffee production and distribution, the impact of governmental measures in producing and consuming countries on the production and consumption of coffee, the opportunities for expansion of coffee consumption for traditional and possible new uses, and the effects of the operation of the Agreement on producers and consumers of coffee, including their terms of trade.

(2) The Organization may study the practicability of establishing minimum standards for exports of coffee from producing Members. Recommendations in this regard may be discussed by the Council.

CHAPTER XVIII—WAIVER

ARTICLE 57

(Modified)

Waiver

(1) The Council by a distributed two-thirds majority vote may relieve a Member of an obligation, on account of exceptional or emergency circumstances, force majeure, constitutional obligations, or international obligations under the United Nations Charter for territories administered under the trusteeship system.

(2) The Council, in granting a waiver to a Member, shall state explicitly the terms and conditions on which and the period for which the Member is relieved of such obligation.

(3) [Deleted.]

CHAPTER XIX—CONSULTATIONS, DISPUTES AND COMPLAINTS

ARTICLE 58

(Modified)

Consultations

Each Member shall accord sympathetic consideration to, and shall afford adequate opportunity for, consultation regarding such representations as may be made by another Member with respect to any matter relating to the Agreement. In the course of such consultation, on request by either party and with the consent of the other, the Executive Director shall establish an independent panel which shall use its good offices with a view to conciliating the parties. The costs of the panel shall not be chargeable to the Organization. If a party does not agree to the establishment of a panel by the Executive Director, or if the consultation does not lead to a solution, the matter may be referred to the Council (* * *). If the consultation does lead to a solution, it shall be reported to the Executive Director who shall distribute the report to all Members.

ARTICLE 59

Disputes and Complaints

[Deleted.]

CHAPTER XX—FINAL PROVISIONS

ARTICLE 60

Signature

[Deleted.]

ARTICLE 61

Ratification

[Deleted.]

ARTICLE 62

Entry into Force

[Deleted.]

ARTICLE 63

(Modified)

Accession

(1) The Government of any State Member of the United Nations or of any of its specialized agencies may accede to this Agreement upon conditions that shall be established by the Council. (* * *).

(2) Each Government depositing an instrument of accession shall, at the time of such deposit, indicate whether it is joining the Organization as an exporting Member or an importing Member, as defined in paragraphs (7) and (8) of Article 2.

ARTICLE 64

Reservations

Reservations may not be made with respect to any of the provisions of the Agreement.

ARTICLE 65

(Modified)

Notifications in Respect of Dependent Territories

(1) Any Government may, at the time of (* * *) deposit of an instrument of (* * *) acceptance or accession, or at any time thereafter, by notification to the Secretary-General of the United Nations, declare that the *extended* Agreement shall apply to any of the territories for the international relations of which it is responsible and the *extended* Agreement shall apply to the territories named therein from the date of such notification.

(2) Any Contracting Party which desires to exercise its rights under Article 4 in respect of any of its dependent territories, or which desires to authorize one of its dependent territories to become part of a Member Group formed under Article 5 or 6, may do so by making a notification to that effect to the Secretary-General of the United Nations, either at the time of deposit of its instrument of (* * *) acceptance or accession, or at any later time.

(3) Any Contracting Party which has made a declaration under paragraph (1) of this Article may at any time thereafter, by notification to the Secretary-General of the United Nations, declare that the Agreement shall cease to extend to the territory named in the notification and the Agreement shall cease to extend to such territory from the date of such notification.

(4) The Government of a territory to which the Agreement has been extended under paragraph (1) of this Article and which has subsequently become independent may, within 90 days after the attainment of independence, declare by notification to the Secretary-General of the United Nations that it has assumed the rights and obligations of a Contracting Party to the Agreement. It shall, as from the date of such notification, become a party to the Agreement.

ARTICLE 66

Voluntary Withdrawal

Any Contracting Party may withdraw from the Agreement at any time by giving a written notice of withdrawal to the Secretary-General of the United Nations. Withdrawal shall become effective 90 days after the notice is received.

ARTICLE 67

Compulsory Withdrawal

If the Council determines that any Member has failed to carry out its obligations under the Agreement and that such failure significantly impairs the operations of the Agreement, it may by a distributed two-thirds majority vote require the withdrawal of such Member from the Organization. The Council shall immediately notify the Secretary-General of the United Nations of any such decision. Ninety days after the date of the Council's decision that Member shall cease to be a Member of the Organization and, if such Member is a Contracting Party, a party to the Agreement.

ARTICLE 68

Settlement of Accounts With Withdrawing Members

(1) The Council shall determine any settlement of accounts with a withdrawing Member. The Organization shall retain any amounts already paid by a withdrawing Member and such Member shall remain bound to pay any acounts due from it to the Organization at the time the withdrawal becomes effective; provided, however, that in the case of a Contracting Party which is unable to accept an amendment and consequently either withdraws or ceases to participate in the Agreement under the provisions of paragraph (2) of Article 70, the Council may determine any settlement of accounts which it finds equitable.

(2) A member which has withdrawn or which has ceased to participate in the Agreement shall not be entitled to any share of the proceeds of liquidation or the other assets of the Organization upon termination of the Agreement under Article 69.

ARTICLE 69

(Modified)[2]

Duration and Termination

Negotiation of a New Agreement

(1) The extended Agreement, subject to the provisions of paragraph (2), shall remain in force until 30 September 1975 or until a new Agreement has entered into force, whichever is the earlier.

(2) The Council may at any time, by vote of a majority of the Members having not less than a distributed two-thirds majority of the total votes, decide to terminate the Agreement. Such termination shall take effect on such date as the Council shall decide.

(3) Notwithstanding termination of the Agreement, the Council shall remain in being for as long as necessary to carry out the liquidation of the Organization, settlement of its accounts and disposal of its assets and shall have during that period such powers and functions as may be necessary for those purposes.

(4) The Council may, by a vote of 58 percent by the Members having not less than a distributed majority of 70 percent of the total votes, negotiate a new Agreement for such period as the Council shall determine.

ARTICLE 70

Amendment

(1) The Council by a distributed two-thirds majority vote may recommend an amendment of the Agreement to the Contracting Parties. The amendment shall become effective 100 days after the Secretary-General of the United Nations has received notifications of acceptance from Contracting Parties representing at least 75 percent of the exporting countries holding at least 85 percent of the votes of the exporting Members, and from Contracting Parties representing at least 75 percent of the importing countries holding at least 80 percent of the votes of the importing Members. The Council may fix a time within which each Contracting Party shall notify the Secretary-General of the United Nations of its acceptance of the amendment and if the amendment has not become effective by such time, it shall be considered withdrawn. The Council shall provide the Secretary-General with the information necessary to determine whether the amendment has become effective.

(2) Any Contracting Party, or any dependent territory which is either a Member or a party to a Member group, on behalf of which notification of acceptance of an amendment has not been made by the date on which such amendment becomes effective, shall as of that date cease to participate in the Agreement.

ARTICLE 71

(Modified)

Notifications by the Secretary-General

The Secretary-General of the United Nations shall notify all Contracting Parties to the International Coffee Agreement *1968* and all other Governments of States Members of the United Nations or of any of its specialized agencies, of each deposit of an instrument of (* * *) acceptance or accession (* * *). The Secretary-General of the United Nations shall also notify all Contracting Parties of each notification under Articles 5 (* * *), 65, 66 or 67; of the date (* * *) on which *the Agreement* is terminted under Article 69; and of the date on which an amendment becomes effective under Article 70.

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[2] Paragraph 2 of this Article corresponds to paragraph 3 of Article 69 of the 1968 Agreement and paragraph 3 of this Article corresponds to paragraph 4 of Article 69 of the 1968 Agreement.

ARTICLE 72
(Modified)

Supplementary and Transitional Provisions

(1) The present Agreement shall be considered as a continuation of the International Coffee Agreement 1962.

(2) In order to facilitate the uninterrupted continuation of the Agreement:

(*a*) All acts by or on behalf of the Organization or any of its organs (* * *) in effect on 30 September *1973* and the terms of which do not provide for expiry on that date, shall remain in effect unless *they have been* changed under the provisions of the present Agreement. *Except as provided in sub-paragraphs (b) and (c) hereof all acts based on the deleted Articles of the International Coffee Agreement 1968 are expressly revoked with effect from 1 October 1973.*

(*b*) *After 30 September 1973 the Diversification Fund shall remain in being for as long as is necessary to carry out its liquidation, the settlement of its accounts and the disposal of its assets. During that period the Council may adopt such amendments to the Statutes as it deems necessary for those purposes.*

(*c*) *After 30 September 1973 the World Coffee Promotion Committee shall remain in being for as long as is necessary to carry out the liquidation of the Promotion Fund, the settlement of its accounts and the disposal of its assets.*

(*d*) All decisions (* * *) taken by the Council during the coffee year *1972/73* for application in coffee year *1973/74* shall (* * *) apply on a provisional basis as if the *extension of the Agreement had become effective.*

(* * *)

The texts of this Agreement in the English, French, Portuguese (* * *) and Spanish languages shall all be equally authentic. The originals shall be deposited in the archives of the United Nations and the Secretary-General of the United Nations shall transmit certified copies thereof to each (* * *) *Contracting Party to the Agreement.*

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND CANADA FOR PROMOTION OF SAFETY ON THE GREAT LAKES BY MEANS OF RADIO, 1973

The Government of the United States of America and the Government of Canada,

DESIROUS of promoting safety of life and property on the Great Lakes of North America by means of radio;

BELIEVING that this purpose will be served by making provision in common agreement for the use of radiotelephone communication for distress, safety and navigational purposes;

CONSIDERING that these objectives may best be achieved and maintained by the conclusion of an Agreement between the two Governments;

Have agreed as follows:

ARTICLE I

Definitions

For the purpose of this Agreement, unless expressly provided otherwise:

(*a*) "Approved" or "Approval" means, in relation to compliance with the terms of this Agreement by vessels of Canada and of the United States, approval by Canada and the United States, respectively, and in relation to vessels of other countries, approval by either Canada or the United States;

(*b*) "Vessel" includes every description of watercraft or other artificial contrivance used or capable of being used as a means of transportation on or over the water, except aircraft;

(*c*) "Towing" means the act of pulling or pushing or towing alongside a vessel or floating object;

(*d*) "Great Lakes" means all waters of Lakes Ontario, Erie, Huron (including Georgian Bay), Michigan, Superior, their connecting and tributary waters and the River St. Lawrence as far east as the lower exit of the St. Lambert Lock at Montreal in the Province of Quebec, Canada, but shall not include such of the connecting and tributary waters as may be specified in the Technical Regulations;

(*e*) "Mile" means a statute mile of 5,280 feet or 1,609 meters;

(*f*) "International Radio Regulations" means the Radio Regulations in force annexed to the International Telecommunication Convention, or any regulations which have been, or which from time to time in the future may be, substituted for such regulations;

(*g*) "Technical Regulations" means the regulations in force referred to in paragraph 2 of Article III of this Agreement;

(*h*) "Distress, safety and calling frequency" means the radiotelephone frequency or frequencies designated for this purpose in the Technical Regulations;

(*i*) "Radiotelephone alarm signal" means the automatic alarm signal prescribed by the International Radio Regulations for radiotelephony;

(*j*) "Radiotelephone auto alarm" means a warning device which is capable of being actuated automatically by the radiotelephone alarm signal, and which complies with the International Radio Regulations.

ARTICLE II

Purposes of the Agreement

The purposes of the Agreement are:

(*a*) To provide for cooperation between Canada and the United States in the field of governmental regulation and practices relating to fitting, usage and maintenance of radiocommunication equipment for safety purposes aboard specified classes of vessels of all nationalities operating on the Great Lakes of North America;

(*b*) To provide the highest practicable standards in matters concerning use of radiocommunication and associated equipment for maritime distress, safety and efficiency of navigation on the Great Lakes;

(*c*) To provide uniformity of regulations on radio communications for safety purposes to ships of all nationalities operating on the Great Lakes.

ARTICLE III

General Provisions

1. The Contracting Governments undertake to collaborate in encouraging the highest practicable degree of uniformity in standards for radiocommunication and associated equipment, where such uniformity will facilitate and improve maritime safety and efficiency of navigation on the Great Lakes.

2. The Technical Regulations annexed to this Agreement are an integral part thereof and every reference to this Agreement implies at the same time a reference to the Technical Regulations unless the language or context of the reference clearly excludes the Technical Regulations.

3. The Agreement shall apply to vessels of all countries as provided in Article V.

4. Each Contracting Government agrees that any vessel which is not subject to this Agreement, and which is permitted by such Government to use any radio frequency designated by this Agreement, shall be required, while on the Great Lakes, to use such radio frequency in the same manner as a vessel subject to this Agreement.

5. No provision of this Agreement shall prevent the use by a vessel or survival craft in distress of any means at its disposal to attract attention, make known its position, and obtain help.

ARTICLE IV

Notification to the Intergovernmental Maritime Consultative Organization (IMCO)

1. The Contracting Governments agree to notify the Secretary-General of the IMCO as soon as possible of the entry into force of this Agreement and of any subsequent amendments.

2. The Contracting Governments agree, also, to deposit with the Secretary-General of IMCO a true copy of the Technical Regulations annexed to this Agreement and any amendments to these Technical Regulations which may subsequently be agreed in accordance with paragraph 2 of Article XVIII.

ARTICLE V

Applicability to Vessels

A vessel to which this Agreement applies generally, as stated in paragraph 3 of Article III of this Agreement, and which falls into any of the following specific categories of paragraphs (a), (b) or (c), and not excepted by paragraphs (b) and (d), shall be subject to the requirements of this Agreement and the Technical Regulations while being navigated on the Great Lakes:

(*a*) Every vessel 65 feet or over in length (measured from end to end over the deck exclusive of sheer), except that the Contracting Governments, each with respect to its own vessels, may specify a smaller dimension;

(*b*) Every vessel engaged in towing another vessel or floating object, except:

(*i*) where the maximum length of the towing vessel, measured from end to end over the deck exclusive of sheer, is less than twenty-six (26) feet and the length or breadth of the tow, exclusive of the towing line is less than sixty-five (65) feet;

(*ii*) where the vessel towed complies with the requirements of this Agreement and the Technical Regulations annexed thereto;

(*iii*) where the towing vessel and tow are located within a booming ground; or

(*iv*) where the tow has been undertaken in an emergency and neither the towing vessel nor the tow can comply with this Agreement and the Technical Regulations annexed thereto;

(*c*) Any vessel carrying more than six passengers for hire;

(*d*) A vessel shall not be subject to the requirements of this Agreement if such vessel falls in any of the following specific categories:

(*i*) Ships of war and troop ships;

(*ii*) Vessels owned and operated by any government and not engaged in trade.

ARTICLE VI

Coast Station Watch

1. Subject to paragraph 2, each Contracting Government agrees to ensure that necessary arrangements are made for coast stations to maintain a continuous watch on the distress, safety and calling frequency or frequencies.

2. During the non-navigation season of the St. Lawrence Seaway system continuous watch need be maintained only by such shore stations as may be required for the service of shipping which continues to operate in the open water areas.

ARTICLE VII

Ship Station Operators and Listening Watch

1. There shall be on board, at least one operator whose qualifications for radiotelephone operation for safety purposes on the Great Lakes have been certified by each of the Contracting Governments for citizens of its own country on vessels of that country or for persons on vessels of other countries, as meeting the qualifications set forth in the Technical Regulations.

2. From among those certified operators, the master shall designate one or more who shall operate the radiotelephone station. The duties of the operators so designated need not be restriced to duties in connnection with the radiotelephone station but may include any and all duties assigned them by the master.

3. There shall be an effective continuous

listening watch on the distress, safety and calling frequency or frequencies required by the Technical Regulations by at least one person who has been designated by the master to perform such listening. The person so designated may simultaneously perform other duties relating to the operation or navigation of the vessel, provided that such other duties do not interfere with the effectiveness of the listening.

4. Notwithstanding paragraph 3 of this Article, Contracting Governments may require that the continuous listening watch shall be maintained on a frequency other than the distress, safety and calling frequencies while the vessel is within designated national waters of a Contracting Government where it assumes the distress watch for the vessel.

5. Vessels may be permitted by each of the Contracting Governments, with respect to its own national waters, to suspend temporarily the continuous listening watch required under paragraph 3 or paragraph 4 of this Article, in order to engage in Maritime Mobile communications on other frequencies.

6. A vessel shall not be navigated unless the qualified radio operator required under paragraph 1 of this Article is on board. However, if the vessel is deprived of the services of such operator while underway the master shall notify authorities of the Contracting Governments of this fact, and shall comply with such instructions as may be given by those authorities. In any event, the master shall obtain a satisfactory replacement operator at the earliest practicable moment.

ARTICLE VIII

Cases of Force Majeure

A vessel which is not subject to the provisions of this Agreement shall not become subject thereto due to stress of weather or any other cause of *force majeure*.

ARTICLE IX

Exemptions

1. Each Contracting Government, if it considers that the conditions of the voyage or voyages affecting safety (including but not necessarily limited to the regularity, frequency and nature of the voyages, or other circumstances) are such as to render the full application of this Agreement unreasonable or unnecessary, may exempt partially, conditionally or completely any individual vessel for one or more voyages or for any period of time not exceeding one year from the date of exemption. Each Contracting Government shall promptly notify the other of each exemption that is granted and of the significant terms thereof.

2. Since the waters to which this Agreement applies are under the jurisdiction of Canada or the United States, the exemptions referred to in paragraph 1 of this Article may be granted only by each of the Contracting Governments, for vessels of its own country or for the vessels of other countries.

ARTICLE X

Radiotelephone Station

1. Each vessel shall, except as it may be exempted under Article IX, be fitted with a radiotelephone station in effective operating condition and approved as meeting the requirements set forth in the Technical Regulations.

2. If the vessel's radiotelephone station ceases to be in effective operating condition, the master shall forthwith exercise due diligence to restore the radiotelephone station to effective operating condition at the earliest practicable moment. If the radiotelephone station becomes defective while underway, the master, if practicable to do so, shall notify authorities of the Contracting Governments of this fact, and shall comply with such instructions as may be given by those authorities.

ARTICLE XI

Vessel Records

Each vessel shall, except as it may be exempted under Article IX, maintain such records of the use of the radiotelephone station for safety purposes as may be required by the Technical Regulations.

ARTICLE XII

Annual Inspections and Surveys

1. So far as concerns the enforcement of this Agreement, the radio-telephone stations of all vessels subject to the provisions of this Agreement and the Technical Regulations shall be subject to inspection from time to time. In addition, vessels subject to the provisions of this Agreement and to the Technical Regulations of the two countries concerned shall be subject to a periodic survey of the radiotelephone station not less than once every thirteen months. This survey shall be made while the vessel is in active service or within not more than one month before the date on which it is placed in such service.

2. The inspection and survey of radiotelephone stations shall be carried out by the officers of the Contracting Governments for their respective vessels. With respect to any vessel which belongs to any other country, such inspection shall be carried out by officers of the Contracting Governments within whose jurisdiction such vessel first enters, and thereafter by the Contracting Government having jurisdiction as determined by the location of the vessel at least once each thirteen months or at the time of any inspection deemed necessary by such Government.

3. Each Contracting Government may entrust the inspection and survey of the radiotelephone stations either to surveyors nominated for this purpose or to organizations recognized by it. In every case the Contracting Government concerned fully guarantees the completeness and efficiency of the inspection and survey.

ARTICLE XIII

Certification and Privileges

1. If, after appropriate inspection or survey made in accordance with Article XII, the Contracting Government responsible for the inspection or survey is satisfied that all relevant provisions of this Agreement have been complied with, including any exemptions or conditions of exemption approved in accordance with Article IX, that fact shall be certified immediately after each such inspection or survey either on the vessel's radiotelephone station license or by means of another document as determined by the Contracting Government.

2. The certification prescribed by paragraph 1 of this Article shall be kept on board the vessel while the vessel is subject to the provisions of this Agreement, and shall be available for inspection by the officers authorized by the Contracting Governments to make such inspections. Certifications issued under the authority of a Contracting Government shall be accepted by the other Contracting Government for all purposes covered by this Agreement.

ARTICLE XIV

Issue of Certificate by Other Contracting Government

Each of the Contracting Governments may, at the request of the other, cause a vessel, for the survey of which the requesting Government is primarily responsible, to be surveyed and, if satisfied that the requirements of this Agreement are complied with, issue certificates to the vessel in accordance with the terms of this Agreement. Any certificate so issued must contain a statement to the effect that it has been issued at the request of the Government which made the request, and it shall have the same force and receive the same recognition as a certificate issued under Article XII of this Agree-

ARTICLE XV

Control

1. Over and above the application of this Agreement as set forth in the provisions of Article V of this Agreement, every vessel required by this Agreement to have a certificate issued by one Contracting Government in acordance with Article XII or Article XIV is subject in the ports of the other Contracting Government to control by officers duly authorized by such Government in so far as this control is directed towards verifying that (a) there is on board a valid certification, (b) that the conditions of the radiotelephone apparatus coresponds substantially with the particulars of that certification, and (c) that there are on board the necessary personnel.

(2) In the event of this control giving rise to intervention of any kind, the authorities carrying out the control shall forthwith inform the appropriate authorities of the country to which the vessel belongs of all the circumstances in which intervention is deemed to be necessary.

ARTICLE XVI

Responsibility of the Master and Radiotelephone Operators

The radiotelephone station and all persons designated to perform radiotelephone operating duties shall be under the control of the master. These designated persons and the master shall comply with applicable telecommunication laws and international agreements and with the rules and regulations made pursuant thereto.

ARTICLE XVII

Laws and Regulations

The Contracting Governments undertake to communicate to each other the text of laws, decrees, and regulations promulgated on the various matters within the scope of this Agreement.

ARTICLE XVIII

Amendments

1. Amendment of the Articles of this Agreement shall be by agreement between the Contracting Governments and shall become effective following an exchange of notes between the Contracting Governments indicating that whatever approval may be required constitutionally has been obtained.

2. Notwithstanding paragraph 1 of this Article, amendment or modification of the Technical Regulations annexed to this Agreement may, when agreed upon by the interested agencies of each of the Contracting Governments, be effected by an exchange of diplomatic notes between the Contracting Governments. Any such amendment or modification shall enter into force on the first day of February of the year following the exchange of notes constituting final agreement thereto, provided that an earlier date, but not less than three months from the date of such final agreement, may be specified in the exchange of notes if further delay would adversely affect the safety of vessels subject to this Agreement.

ARTICLE XIX

Termination of Prior Agreement

Upon the coming into force of this Agreement, the Agreement for the Promotion of Safety on the Great Lakes by Means of Radio, signed at Ottawa on February 21, 1952, between the United States of America and Canada, shall terminate and cease to have effect.

ARTICLE XX

Entry into Force

This Agreement shall be ratified and instruments of ratification shall be exchanged at Washington as soon as possible. This Agreement shall come into force one year after the date on which the instruments of ratification are exchanged.

ARTICLE XXI

Termination

1. This Agreement may be terminated by either Contracting Government at any time after the expiration of 5 years from the date on which this Agreement comes into force, except where the Contracting Governments agree to terminate earlier. Termination shall be effected by a notification in writing from either Contracting Government to the other Contracting Government.

2. Termination of this Agreement shall take effect twelve months after the date of such notification.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto by their respective Governments have signed the Agreement.

DONE in two copies at Ottawa this 26th day of February 1973 in English and French, each language version being equally authentic.

Adolph W. Schmidt: For the Government of the United States of America.

J. Marchand: For the Government of Canada.

CONVENTION FOR THE PROTECTION OF PRODUCERS OF PHONOGRAMS AGAINST UNAUTHORIZED DUPLICATION OF THEIR PHONOGRAMS

The CONTRACTING STATES,

concerned at the widespread and increasing unauthorized duplication of phonograms and the damage this is occasioning to the interest of authors, performers and producers of phonograms;

convinced that the protection of producers of phonograms against such acts will also benefit the performers whose performances, and the authors whose works, are recorded on the said phonograms;

recognizing the value of the work undertaken in this field by the United Nations Educational, Scientific and Cultural Organization and the World Intellectual Property Organization;

anxious not to impair in any way international agreements already in force and in particular in no way to prejudice wider acceptance of the Rome Convention of October 26, 1961, which affords protection to performers and to broadcasting organizations as well as to producers of phonograms;

have agreed as follows:

ARTICLE 1

For the purposes of this Convention:

(*a*) "phonogram" means any exclusively aural fixation of sounds of a performance or of other sounds;

(*b*) "producer of phonograms" means the person who, or the legal entity which, first fixes the sounds of a performance or other sounds;

(*c*) "duplicate" means an article which contains sounds taken directly or indirectly from a phonogram and which embodies all or a substantial part of the sounds fixed in that phonogram;

(*d*) "distribution to the public" means any act by which duplicates of a phonogram are offered, directly or indirectly, to the general public or any section thereof.

ARTICLE 2

Each Contracting State shall protect producers of phonograms who are nationals of other Contracting States against the making of duplicates without the consent of the producer and against the importation of such duplicates, provided that any such making or importation is for the purpose of distribution to the public, and against the distribution of such duplicates to the public.

ARTICLE 3

The means by which this Convention is implemented shall be a matter for the domestic law of each Contracting State and shall include one or more of the following: protection by means of the grant of a copyright or other specific right; protection by means of the law relating to unfair competition; protection by means of penal sanctions.

ARTICLE 4

The duration of the protection given shall be a matter for the domestic law of each Contracting State. However, if the domestic law prescribes a specific duration for the protection, that duration shall not be less than twenty years from the end either of the year in which the sounds embodied in the phonogram were first fixed or of the year in which the phonogram was first published.

ARTICLE 5

If, as a condition of protecting the producers of phonograms, a Contracting State, under its domestic law, requires compliance with formalities, these shall be considered as fulfilled if all the authorized duplicates of the phonogram distributed to the public or their containers bear a notice consisting of the symbol Ⓟ, accompanied by the year date of the first publication, placed in such a manner as to give reasonable notice of claim of protection; and, if the duplicates or their containers do not identify the producer, his successor in title or the exclusive licensee (by carrying his name, trademark or other appropriate designation), the notice shall also include the name of the producer, his successor in title or the exclusive licensee.

ARTICLE 6

Any Contracting State which affords protection by means of copyright or other specific right, or protection by means of penal sanctions, may in its domestic law provide, with regard to the protection of producers of phonograms, the same kinds of limitations as are permitted with respect to the protection of authors of literary and artistic works. However, no compulsory licenses may be permitted unless all of the following conditions are met:

(*a*) the duplication is for use solely for the purpose of teaching or scientific research;

(*b*) the license shall be valid for duplication only within the territory of the Contracting State whose competent authority has granted the license and shall not extend to the export of duplicates;

(*c*) the duplication made under the license gives rise to an equitable remuneration fixed by the said authority taking into account, inter alia, the number of duplicates which will be made.

ARTICLE 7

(1) This Convention shall in no way be interpreted to limit or prejudice the protection otherwise secured to authors, to performers, to producers of phonograms or to broadcasting organizations under any domestic law or international agreement.

(2) It shall be a matter for the domestic law of each Contracting State to determine the extent, if any, to which performers whose performances are fixed in a phonogram are entitled to enjoy protection and the conditions for enjoying any such protection.

(3) No Contracting State shall be required to apply the provisions of this Convention to any phonogram fixed before this Convention entered into force with respect to that State.

(4) Any Contracting State which, on October 29, 1971, affords protection to producers of phonograms solely on the basis of the place of first fixation may, by a notification deposited with the Director General of the World Intellectual Property Organization, declare that it will apply this criterion instead of the criterion of the nationality of the producer.

ARTICLE 8

(1) The International Bureau of the World Intellectual Property Organization shall assemble and publish information concerning the protection of phonograms. Each Contracting State shall promptly communicate to the International Bureau all new laws and official texts on this subject.

(2) The International Bureau shall, on request, furnish information to any Contracting State on matters concerning this Convention, and shall conduct studies and provide services designed to facilitate the protection provided for therein.

(3) The International Bureau shall exercise the functions enumerated in paragraphs (1) and (2) above in cooperation, for matters within their respective competence, with the United Nations Educational, Scientific and Cultural Organization and the International Labour Organization.

ARTICLE 9

(1) This Convention shall be deposited with the Secretary-General of the United Nations. It shall be open until April 30, 1972, for signature by any State that is a member of the United Nations, any of the Specialized Agencies brought into relationship with the United Nations, or the International Atomic Energy Agency, or is a party to the Statute of the International Court of Justice.

(2) This Convention shall be subject to ratification or acceptance by the signatory States. It shall be open for accession by any State referred to in paragraph (1) of this Article.

(3) Instruments of ratification, acceptance or accession shall be deposited with the Secretary-General of the United Nations.

(4) It is understood that, at the time a State becomes bound by this Convention, it will be in a position in accordance with its domestic law to give effect to the provisions of the Convention.

ARTICLE 10

No reservations to this Convention are permitted.

ARTICLE 11

(1) This Convention shall enter into force three months after deposit of the fifth instrument of ratification, acceptance or accession.

(2) For each State ratifying, accepting or acceding to this Convention after the deposit of the fifth instrument of ratification, acceptance or accession, the Convention shall enter into force three months after the date on which the Director General of the World Intellectual Property Organization informs the States, in accordance with Article 13, paragraph (4), of the deposit of its instrument.

(3) Any State may, at the time of ratification, acceptance or accession, or at any later date, declare by notification addressed to the Secretary-General of the United Nations that this Convention shall apply to all or any one of the territories for whose international affairs it is responsible. This notification will take effect three months after the date on which it is received.

(4) However, the preceding paragraph may in no way be understood as implying the recognition or tacit acceptance by a Contracting State of the factual situation concerning a territory to which this Convention is made applicable by another Contracting State by virtue of the said paragraph.

ARTICLE 12

(1) Any Contracting State may denounce this Convention, on its own behalf or on behalf of any of the territories referred to in Article 11, paragraph (3), by written notification addressed to the Secretary-General of the United Nations.

(2) Denunciation shall take effect twelve months after the date on which the Secretary-General of the United Nations has received the notification.

ARTICLE 13

(1) This Convention shall be signed in a single copy in English, French, Russian and

Spanish, the four texts being equally authentic.

(2) Official texts shall be established by the Director General of the World Intellectual Property Organization, after consultation with the interested Governments, in the Arabic, Dutch, German, Italian and Portuguese languages.

(3) The Secretary-General of the United Nations shall notify the Director General of the World Intellectual Property Organization, the Director-General of the United Nations Educational, Scientific and Cultural Organization and the Director-General of the International Labour Office of:

(a) signatures to this Convention;

(b) the deposit of instruments of ratification, acceptance or accession;

(c) the date of entry into force of this Convention;

(d) any declaration notified pursuant to Article 11, paragraph (3);

(e) the receipt of notification of denunciation.

(4) The Director General of the World Intellectual Property Organization shall inform the States referred to in Article 9, paragraph (1), of the notifications received pursuant to the preceding paragraph and of any declarations made under Article 7, paragraph (4). He shall also notify the Director-General of the United Nations Educational, Scientific and Cultural Organization and the Director-General of the International Labour Office of such declarations.

(5) The Secretary-General of the United Nations shall transmit two certified copies of this Convention to the States referred to in Article 9, paragraph (1).

IN WITNESS WHEREOF, the undersigned, being duly authorized, have signed this Convention.

DONE at Geneva, this twenty-ninth day of October, 1971.

TREATY ON EXTRADITION

BETWEEN THE UNITED STATES OF AMERICA AND ITALY

The PRESIDENT OF THE UNITED STATES OF AMERICA and the PRESIDENT OF THE ITALIAN REPUBLIC, desiring to make more effective the cooperation between the two countries in the repression of crime by making provision for the reciprocal extradition of offenders;

Have decided to conclude a treaty for this purpose and have appointed as their plenipotentiaries:

THE PRESIDENT OF THE UNITED STATES OF AMERICA, H. E. Graham MARTIN, Ambassador of the United States of America, and

THE PRESIDENT OF THE ITALIAN REPUBLIC Senator Professor Giuseppe MEDICI, Minister of Foreign Affairs.

Who, having exchanged their respective full powers, which were found in good and due form, have agreed as follows:

Article I

Each Contracting Party agrees to extradite to the other, in the circumstances and subject to the conditions described in this Treaty, persons found in its territory who have been charged with or convicted of any of the offenses mentioned in Article II of this Treaty committed within the territory of the other or outside thereof under the condtiions specified in Article III of this Treaty.

Article II

Persons shall be delivered up according to the provisions of this Treaty for any of the following offenses provided that these offenses are punishable by the laws of both Contracting Parties and subject to a term of imprisonment exceeding one year:

1. Murder; manslaughter; assault with intent to commit murder.

2. Malicious wounding; inflicting grievous bodily harm.

3. Illegal abortion.

4. Unlawful throwing or application of any corrosive or injurious substances upon the person of another.

5. Rape; indecent assault.

6. Unlawful sexual acts with or upon children under the age specified by the laws of both the requesting and requested parties.

7. Procuration defined as procuring a woman to have unlawful sexual intercourse or to become a prostitute, or living on the earnings of prostitution or exercising control over a prostitute.

8. Child stealing of a minor under the age of fourteen years, willful nonsupport or willful abandonment of a minor under the age of fourteen years when personal injury or death results.

9. Kidnapping; abduction; false imprisonment.

10. Robbery; assault with intent to rob.

11. Burglary; housebreaking.

12. Larceny.

13. Embezzlement.

14. Fraud, including:

a. Obtaining property, money or valuable securities by false pretenses or statements or by threat of force or by defrauding any governmental body, the public, or any person, by deceit, falsehood, use of the mails or other means of communication in connection with schemes intended to deceive or defraud, or other fraudulent means.

b. Fraud by a bailee, banker, agent, factor, trustee, executor, administrator or by a director or officer of any company.

15. Bribery, including soliciting, offering and accepting.

16. Extortion by private or public persons.

17. Receiving or transporting any money, valuable securities or other property knowing the same to have been unlawfully obtained.

18. Forgery and counterfeiting, including:

a. Forgery or uttering what is forged.

b. The forgery or false making of official documents or public records of the government or public authority or the uttering or fraudulent use of the same.

c. The making or the utterance, circulation or fraudulent use of counterfeit money or counterfeit seals, stamps, dies and marks of the government or public authority.

d. Knowingly and without lawful authority, making or having in possession any instrument, tool, or machine adapted and intended for the counterfeiting of money, whether coin or paper.

19. Perjury; false swearing; subornation of perjury.

20. Arson.

21. Any malicious act done with intent to endanger the safety of any person traveling upon a railway, or in any aircraft or vessel or other means of transportation.

22. Piracy by law of nations.

23. Mutiny or revolt on board an aircraft or vessel against the authority of the captain or commander of such aircraft or vessel; any seizure or exercise of control, by force or violence or threat of force or violence, of an aircraft or vessel.

24. Malicious injury to property.

25. Fraudulent bankruptcy.

26. Offenses against the laws relating to narcotic drugs, cannabis sativa L., hallucinogenic drugs, cocaine and its derivatives and other dangerous drugs and chemicals.

27. Offenses against the laws relating to the illicit manufacture of or traffic in substances injurious to health.

28. Offenses against the laws relating to the sale or transportation of securities or commodities.

29. Offenses against the laws relating to firearms, explosives, or incendiary devices.

30. Unlawful obstruction of juridical proceedings or proceedings before governmental bodies or interference with an investitgation of a violation of a criminal statute by the influencing, bribing, impeding, threatening, or the injuring by any means, any officer of the court, juror, witness, or duly authorized criminal investigator.

Extradition shall also be granted for the Italian offense of "associazione per delinquere" if the request establishes the elements of a conspiracy, as defined by the laws of the United States, to commit any of the offenses mentioned in this Article. The requirement that a conspiracy under the laws of the United States be established will be fulfilled when evidence is produced establishing probable cause that two or more persons have conspired to commit any offense in this Article and when one or more of such persons have done any act to effect the object of the conspiracy.

Extradition shall also be granted for attempts to commit, conspiracy to commit, or participation in, any of the offenses mentioned in this Article.

Extradition shall also be granted for the above-mentioned offenses, even when for the sole purpose of recognizing United States Federal jurisdiction, circumstances such as the transportation from one State to another, have been taken into account. By transportation is meant any transport or transfer of persons, articles, or other items.

Article III

A reference in this Treaty to the territory of a Contracting Party is a reference to all the territory under the jurisdiction of that Contracting Party, including airspace and territorial waters and vessels and aircraft registered in that Contracting Party if any such aircraft is in flight or if any such vessel is on the high seas when the offense is committed. For purposes of this Treaty an aircraft shall be considered to be in flight from the moment when power is applied for the purpose of take-off until the moment when the landing run ends.

When the offense has been committed outside the territory of the requesting Party, in the case of a request emanating from Italy, the executive authority of the United States, and in the case of a request emanating from the United States, the competent authority of Italy, shall have the power to grant extradition if the laws of the requested party provide for the punishment of such an offense.

Article IV

A requested Party shall not decline to extradite a person sought because such person is a national of the requested Party.

Article V

Extradition shall be granted only if the evidence be found sufficient, according to the laws of the requested Party, either to justify his committal for trial if the offense of which he is accused had been committed in its territory or to prove that he is the identical person convicted by the courts of the requesting Party.

Article VI

Extradition shall not be granted in any of the following circumstances:

1. When the person whose surrender is sought is being proceeded against or has been tried and discharged or punished in the territory of the requested Party for the offense for which his extradition is requested.

2. When the person whose surrender is sought has been tried and acquitted or has undergone his punishment in a third State for the offense for which his extradition is requested.

3. When the prosecution or the enforcement of the penalty for the offense has become barred by lapse of time according to the laws of the requesting Party or would be barred by lapse of time according to the laws of the requested Party had the offense been committed in its territory.

4. When the offense constitutes an infraction against military law which is not an offense under ordinary criminal law.

5. When the offense for which extradition is requested is of a political character, or if the person whose surrender is sought proves that the requisition for his surrender has, in fact, been made with a view to try or punish him for an offense of a political character. For the purposes of the application of the present paragraph, the seizure or exercise of control by force or violence or threat of force or violence committed on board an aircraft in flight carrying passengers in scheduled air services or on a charter basis will be presumed to have a predominant character of a common crime when the consequences of the offense were or could have been grave. If any question arises as to whether a case comes within the provisions of this paragraph, the authorities of the Government on which the requisition is made shall decide.

Article VII

If a request for extradition is made under this Treaty for a person who at the time of such request is under the age of eighteen years and is considered by the requested Party to be one of its residents, the requested Party, upon a determination that extradition would disrupt the social readjustment and rehabilitation of that person, may recommend to the requesting Party that the request for extradition be withdrawn, specifying the reasons therefor.

Article VIII

When the offense for which the extradition is requested is punishable by death under the laws of the requesting Party and the laws of the requested Party do not provide for such punishment for that offense, extradition shall be refused unless the requesting Party provides such assurances as the requested Party considers sufficient that the death penalty shall not be imposed, or, if imposed, shall not be executed.

Article IX

When the person whose extradition is requested is being proceeded against or is serving a sentence in the territory of the requested Party for an offense other than that for which extradition has been requested, his surrender may be deferred until the conclusion of the proceedings and the full execution of any punishment he may be or may have been awarded.

Article X

The determination that extradition should or should not be granted shall be made in accordance with the law of the requested Party and the person whose extradition is sought shall have the right to use all remedies and recourses provided by such law.

Article XI

The request for extradition shall be made through the diplomatic channel.

The request shall be accompanied by a description of the person sought, a statement of the facts of the case, the text of the applicable laws of the requesting Party including the law defining the offense, the law prescribing the punishment for the offense, and the law relating to the limitation of the legal proceedings or the enforcement of the penalty for the offense.

When the request relates to a person who has not yet been convicted, it must also be accompanied by a warrant of arrest issued by a judge or other judicial officer of the requesting Party and by such evidence as, according to the laws of the requested Party, would justify his arrest and committal for trial if the offense had been committed there, including evidence proving that the person requested is the person to whom the warrant of arrest refers.

When the request relates to a person already convicted, it must be accompanied by a judgment of conviction and sentence passed against him in the territory of the requesting Party, by a statement showing how much of the sentence has not been served, and by evidence proving that the person requested is the person to whom the sentence refers.

The warrant of arrest and deposition or other evidence, given under oath, and the judicial documents establishing the existence of the conviction, or certified copies of these documents, shall be admitted in evidence in the examination of the request for extradition when, in the case of a request emanating from Italy, they bear the signature or are accompanied by the attestation of a judge, magistrate or other official or are authenticated by the official seal of the Ministry of Justice and, in any case, are certified by the principal diplomatic or consular officer of the United States in Italy, or when, in the case of a request emanating from the United States, they are signed by or certified by a judge, magistrate or officer of the United States and they are sealed by the official seal of the Department of State. Any deposition or other evidence which has not been given under oath but which otherwise meets the requirements set forth in this paragraph shall be admitted in evidence as a deposition or evidence given under oath when there is an indication that the person, prior to deposing before the judicial authorities of the requesting Party, was informed by those authorities of the penal sanctions to which he would be subject in the case of false or incomplete statements.

Article XII

The executive authority of the United States and the competent authority of Italy shall, in their discretion, have the power to grant extradition of persons in cases of conviction in absentia or in contumacy. The request for extradition of such persons shall be accompanied by evidence establishing probable cause that the offense has been committed by the person sought. Should the law of the requesting Party so provide, such convictions may be treated as final convictions.

The executive authority of the United States and the competent authority of Italy may require information concerning the notification procedure employed in the case of a person whose extradition is requested in accordance with this Article and the procedures, if any, which was available to that person to reopen the judgment of conviction.

Article XIII

In case of urgency a Contracting Party may apply for the provisional arrest of the person sought pending the presentation of the request for extradition through the diplomatic channel. This application may be made either through the diplomatic channel or directly between the Italian Ministry of Grace and Justice and the United States Department of Justice. The application shall contain a description of the person sought, an indication of intention to request the extradition of the person sought, and a statement of the existence of a warrant of arrest or a judgment of conviction, including convictions in absentia and in contumacy, against that person, and such further information, if any, as would be necessary to justify the issue of a warrant of arrest had the offense been committed, or the person sought been convicted, in the territory of the requested Party.

On receipt of such an application the requested Party shall take the necessary steps to secure the arrest of the person claimed.

A person arrested upon such an application shall be set at liberty upon the expiration of forty-five days from the date of his arrest if a request for his extradition accompanied by the documents specified in Article XI shall not have been received. This stipulation shall not prevent the institution of proceedings with a view to extraditing the person sought if the request is subsequently received.

Article XIV

If the requested Party requires additional evidence or information to enable it to decide on the request for extradition, such evidence or information shall be submitted to it within such time as that Party shall require.

If the person sought is under arrest and the additional evidence or information submitted as aforesaid is not sufficient or if such evidence or information is not received within the period specified by the requested Party, he shall be discharged from custody. However, such discharge shall not bar the requesting Party from submitting another request in respect of the same offense.

Article XV

A person extradited under the present Treaty shall not be detained, tried or punished in the territory of the requesting Party for an offense other than that for which extradition has been granted nor be extradited by that Party to a third State unless:

1. He has left the territory of the requesting Party after his extradition and has voluntarily returned to it;

2. After being free to do so, he has not left the territory of the requesting State within forty-five days; or

3. The requested Party has consented to his detention, trial and punishment for an offense other than that for which extradition was granted, or to his extradition to a third State.

These stipulations shall not apply to offenses committed after the extradition.

Article XVI

A requested Party upon receiving two or more requests for the extradition of the same person either for the same offense, or for different offenses, shall determine to which of the requesting States it will extradite the person sought, taking into consideration the circumstances and particularly the possibility of a later extradition between the requesting States, the seriousness of each offense, the place where the offense was committed, the nationality of the person sought, the dates upon which the requests were received and the provisions of any extradition agreements between the requested Party and the other requesting State or States.

Article XVII

The requested Party shall promptly communicate to the requesting Party through the diplomatic channel the decision on the request for extradition.

If a warrant or order for the extradition of a person sought has been issued by the competent authority and he is not removed from the territory of the requested Party within such time as may be prescribed by the laws of that Party, he may be set at liberty and the requested Party may subsequently refuse to extradite that person for the same offense.

Article XVIII

To the extent permitted under the law of the requested Party and subject to the rights of third parties, which shall be duly respected, all articles acquired as a result of the offense or which may be required as evidence shall, if found, be surrendered if extradition is granted.

Subject to the qualifications of the first paragraph, the abovementioned articles shall be returned to the requesting Party even if the extradition, having been agreed to, cannot be carried out owing to the death or escape of the person sought.

Article XIX

The right to transport through the territory of one of the Contracting Parties a person surrendered to the other Contracting Party by a third State shall be granted on request made through the diplomatic channel provided that conditions are present which would warrant extradition of such per-

son by the State of transit and reasons of public order are not opposed to the transit.

The Party to which the person has been extradited shall reimburse the Party through whose territory such person is transported for any expenses incurred by the latter in connection with such transportation.

Article XX

Expenses related to the translation of documents and to the transportation of the person sought shall be paid by the requesting State.

The appropriate legal officers of the United States shall, by all legal means within their power, assist Italy before its respective judges and magistrates and, reciprocally, Italy undertakes to represent the interests of the United States by all legal means envisaged by its legal system.

No pecuniary claim, arising out of the arrest, detention, examination and surrender of persons sought under the terms of this Treaty, shall be made by the requested State against the requesting State.

Article XXI

This Treaty shall apply to offenses mentioned in Article II committed before as well as after the date this Treaty enters into force, provided that no extradition shall be granted for an offense committed before the date this Treaty enters into force which was not an offense under the laws of both Contracting Parties at the time of its commission.

Article XXII

This Treaty shall be ratified and the instruments of ratification shall be exchanged at Washington as soon as possible.

This Treaty shall enter into force upon the exchange of instruments of ratification. It may be terminated by either Contracting Party giving notice of termination to the other Contracting Party at any time and the termination shall be effective six months after the date of receipt of such notice.

This Treaty shall terminate and replace the extradition convention between the United States and Italy signed at Washington, March 23, 1868, as amended and supplemented by the conventions signed January 21, 1869 and June 11, 1884, respectively, as well as the agreement effected by exchange of notes of April 16 and 17, 1946.

IN WITNESS WHEREOF the Plenipotentiaries have signed this Treaty and have hereunto affixed their seals.

DONE in duplicate, in the English and Italian languages, both equally authentic, at Rome this eighteenth day of January, one thousand nine hundred seventy three.

For the United States of America
GRAHAM MARTIN.

For the Italian Republic
MEDICI.

TREATY ON EXTRADITION BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF PARAGUAY

The United States of America and the Republic of Paraguay, desiring to make more effective the cooperation of the two countries in the repression of crime, agree as follows:

ARTICLE 1

The Contracting Parties agree to extradite on a reciprocal basis to the other, in the circumstances and subject to the conditions established in this Treaty, persons found in the territory of one of the Parties who have been charged with or convicted by the judicial authorities of the other of the offenses mentioned in Article 2 of this Treaty committed within the territory of such other, or outside thereof under the conditions specified in Article 3.

ARTICLE 2

Persons shall be delivered up according to the provisions of this Treaty for any of the following offenses provided that these offenses are punishable by the laws of both Contracting Parties by deprivation of liberty for a period exceeding one year:

1. Murder or manslaughter.
2. Abortion.
3. Aggravated injury or mutilation; assault.
4. Illegal use of arms.
5. Willful abandonment of a child or spouse when for that reason the life of that child or spouse is or is likely to be endangered or death results.
6. Rape; statutory rape; indecent assault; corruption of minors, including unlawful sexual acts with or upon minors under the age specified by the penal laws of both Contracting Parties.
7. Procuration; promoting or facilitating prostitution.
8. False imprisonment; abduction or child stealing; kidnapping.
9. Robbery or larceny or burglary.
10. Extortion or threats.
11. Bigamy.
12. Fraud; embezzlement or breach of fiduciary relationships; obtaining money, valuable securities or property, by false pretenses or by other fraudulent means including the use of the mails or other means of communication.
13. Unlawful manufacture, use, distribution, supply, acquisition or possession, or theft of bombs, apparatus capable of releasing nuclear energy, explosive or toxic materials, asphyxiating or flammable materials.
14. Offenses that endanger the safety of means of transportation or communications, including any act that endangers any person on a means of transportation.
15. Piracy and any act of mutiny or revolt on board an aircraft or vessel against the authority of the captain or commander of such aircraft or vessel, any seizure or exercise of control, by force or violence or threat of force or violence, of an aircraft or vessel.
16. Offenses against public health.
17. Unlawful introduction or importation, exportation, fabrication, production, preparation, sale, delivery or supply of narcotic drugs, psychotropic drugs, cocaine and its derivatives and other dangerous drugs including cannabis sativa L., and chemicals or substances injurious to health or of primary materials designed for such fabrication.
18. Introduction, export, fabrication, transportation, sale or transmission, use, possession or stockpiling of explosives, offensive chemicals or similar materials, substances or instruments designed for such fabrication, arms, munitions, nuclear elements and other materials considered war material, other than such acts legally provided for or properly authorized.
19. Bribery, including soliciting, offering and accepting.
20. Malversation.
21. False statements, accusations or testimony effected before a government agency or official.
22. Counterfeiting or forgery of money, bank bills, negotiable instruments whether bearer or not, documents, of credit, seals, stamps, marks, and public and private instruments.
23. Execution or issuance of checks without sufficient funds.
24. Smuggling.
25. The acquisition, receipt or concealment of money, objects or valuables, knowing the article is the result of a crime.
26. Arson; malicious or willful injury to property.
27. Any offense against the bankruptcy laws.
28. Offenses against the law relating to the sale or transportation or purchase of securities or agricultural futures.
29. Unlawful interference in any administrative or juridical proceeding by bribing, threatening, or injury by any means, any officer, juror, witness or duly authorized person.
30. Assault upon a public official.

Extradition shall also be granted for participation in any of the offenses mentioned in this Article, not only as principal or accomplices, but as accessories, as well as for attempt to commit or conspiracy to commit any of the aforementioned offenses when such participation, attempt or conspiracy is subject, under the laws of both Parties, and in accordance with the principles of the penal code containing the lesser penalty, to a term of imprisonment exceeding one year.

If extradition is requested for any offense mentioned in the first or second paragraphs of this Article and that offense is punishable under the laws of both Contracting Parties by a term of imprisonment exceeding one year, such offense shall be extraditable whether or not the laws of both Contracting Parties would place that offense within the same category of offenses made extraditable by the first or second paragraphs of this Article and whether or not the laws of the Requested State denominate the offense by the same terminology.

Extradition shall also be granted for any offense against a federal law of the United States in which one of the above-mentioned offenses is a substantial element, even if transporting, transportation, the use of the mails or interstate facilities are also elements of the specific offense.

In the case in which a person has already been sentenced, extradition will be granted only if the sentence imposed or remaining to be served is a minimum of one year of imprisonment.

ARTICLE 3

For the purposes of this Treaty, the territory of a Contracting Party shall include all territory under the jurisdiction of that Contracting Party, including airspace and territorial waters and vessels and aircraft registered in that Contracting Party if any such aircraft is in flight or if any such vessel is on the high seas when the offense is committed. For purposes of this Treaty an aircraft shall be considered to be in flight from the moment when power is applied for the purpose of take-off until the moment when the landing run ends. The aforementioned provisions do not exclude the application of penal jurisdiction exercised in accord with the legislation of the Requested Party.

When the offense for which extradition has been requested has been committed outside the territory of the Requesting Party, the Requested Party may grant the request provided that the laws of the Requested Party provide for the punishment of such an offense committed in similar circumstances.

ARTICLE 4

Notwithstanding the general principle contained in Article 1, the Contracting Parties shall not be bound to grant extradition of their own nationals, but the executive authority of the United States or the competent authority of the Republic of Paraguay shall have the power to deliver them up, if, in its discretion, it be deemed proper to do so.

If the request for extradition is denied on the basis of nationality, the person claimed shall be tried by the Requested Party for the offense on which the request for extradition was based, unless that offense is not punishable under its own laws or the Requested Party lacks appropriate jurisdiction.

The status of nationality shall be determined by the laws of the Requested Party.

ARTICLE 5

Extradition shall not be granted in any of the following circumstances:

1. When the person whose surrender is sought is being proceeded against or has been tried and discharged or punished in the territory of the Requested Party for the offense for which his extradition is requested.
2. When the person whose surrender is

sought has been tried and acquitted or has undergone his punishment in a third State for the offense for which his extradition is requested.

3. When the prosecution or the enforcement of the penalty for the offense has become barred by lapse of time according to the laws of either of the Contracting Parties.

4. When the offense for which the extradition is requested is of a political character, or connected with such an offense, or the person whose extradition has been requested proves that the extradition request has been made for the purpose of trying or punishing him for an offense of the above-mentioned character. In either case, the final judgment as to the application of this subparagraph shall rest with the Requested Party.

The provisions of subparagraph 4 of this Article shall not be applicable to the following:

(a) An attempt, whether consummated or not, against the life, the physical integrity or the liberty of the Head of State of either Contracting Party or of a member of the Cabinet of the Government of the United States of America or a Minister of the Government of the Republic of Paraguay or a member of the respective family.

(b) A kidnapping, murder or other assault against the life or physical integrity of a person to whom a Contracting Party has the duty according to international law to give special protection, or any attempt to commit such an offense with respect to any such person.

(c) An offense committed by force or threat of force on board a commercial aircraft carrying passengers in scheduled air services or on a charter basis.

5. When the offense in respect of which the extradition is requested is a military offense and does not fall within the jurisdiction of ordinary criminal law.

ARTICLE 6

When the person whose extradition is requested is, at the time of the presentation of the request for extradition, under the age of 18 years and has permanent residence in the territory of the Requested Party and the competent authorities determine that extradition would prejudice the social readjustment and rehabilitation of that person, the Requested Party may suggest to the Requesting Party that the request for extradition be withdrawn, specifying the reasons therefor.

ARTICLE 7

When the offense for which the extradition is requested is punishable by death under the laws of the Requesting Party, extradition shall be denied unless the Requesting Party provides such assurances as the Requested Party considers sufficient that the death penalty shall not be imposed, or, if imposed, shall not be executed.

ARTICLE 8

When the person whose extradition is requested is at the time of the receipt of the request for extradition being proceeded against or is serving a sentence in the territory of the Requested Party for an offense other than that for which extradition has been requested, his surrender may be deferred until the conclusion of the proceedings and, in the case of a conviction, until the full execution of any punishment he may be or may have been awarded.

ARTICLE 9

The determination that extradition should or should not be granted shall be made in accordance with this Treaty and the law of the Requested Party. The person whose extradition is sought shall have the right to use such remedies and recourses as are provided by the law of the Requested Party.

ARTICLE 10

1. The request for extradition shall be made through the diplomatic channel.

2. The request shall be accompanied by:

(a) A statement of the facts of the case.

(b) The data necessary to prove the identity of the person whose extradition is sought including, when possible, photographs and fingerprints.

(c) The text of the applicable laws, including the laws defining the offense, the law prescribing the punishment for the offense and the laws relating to the limitation of the legal proceedings or the enforcement of the legal penalty for the offense.

3. When the request relates to a person who has not yet been convicted it must be accompanied by a warrant of arrest issued by a judge or other judicial officer of the Requesting Party.

The Requested Party may require the Requesting Party to produce evidence to establish prima facie that the person claimed has committed the offense for which extradition is requested. The Requested Party may refuse the extradition request if an examination of the case in question shows that the warrant is manifestly ill-founded.

4. When the request relates to a person already convicted, it shall be accompanied by:

(a) When emanating from the United States, a copy of the judgment of conviction and of the sentence if it has been passed.

(b) When emanating from the Republic of Paraguay, a copy of the sentence.

In a case envisioned in this paragraph, a certification showing that the sentence has not been served or how much of the sentence has not been served shall also be sent to the Requested Party.

5. The documents which, according to this Article, shall accompany the extradition request, shall be admitted in evidence when:

(a) In the case of a request emanating from the United States, they are signed by a judge, magistrate or officer of the United States, authenticated by the official seal of the Department of State and certified by the competent diplomatic or consular officer of the Republic of Paraguay in the United States.

(b) In the case of a request emanating from the Republic of Paraguay, they are signed by a judge or other judicial authority and are legalized by the competent diplomatic or consular officer of the United States in the Republic of Paraguay.

6. All the documents mentioned in this Article shall be accompanied by a translation into the language of the Requested Party which will be at the expense of the Requesting Party.

ARTICLE 11

In case of urgency the Contracting Parties may request, through their respective diplomatic agents, the provisional arrest of an accused as well as the seizure of objects relating to the offense of which he has been accused and which objects are in the possession of the accused or of his agent, associate, or representative, and the location of which has been identified by the Requesting Party. The Requesting Party shall support a request for objects by evidence showing the relationship of the objects to the offense charged. The Requested Party may decline this request if it appears that the interest of innocent third parties has intervened.

The request for provisional arrest shall be granted if it contains a declaration of the existence of one of the documents enumerated in Article 10, paragraphs 3 and 4, the description of the person sought and the offense for which he has been charged.

If, within forty-five calendar days from the date of provisional arrest, the Requesting Party fails to present the formal request for extradition to the Ministry of Foreign Relations in a request emanating from the United States of America or to the Department of State in a request emanating from the Republic of Paraguay, supported by the documents required by Article 10, the person claimed shall be released and a new request based on the same offense shall be admitted only if a formal request for extradition is presented with all the requirements enumerated in Article 10.

ARTICLE 12

If the Requested Party requires additional evidence or information to enable it to decide on the request for extradition, such evidence or information shall be submitted to it within such time as that Party shall require.

If the person sought is under arrest and the additional evidence or information submitted as aforesaid is not sufficient or if such evidence or information is not received within the period specified by the Requested Party, he shall be discharged from custody. Such discharge shall not bar the Requesting Party from submitting another request in due form in respect of the same or any other offense.

ARTICLE 13

A person extradited under the present Treaty shall not be detained, tried or punished in the territory of the Requesting Party for an offense other than that for which extradition has been granted nor be extradited by that Party to a third State unless:

1. Upon being released, he remains in the territory of the Requesting Party for more than thirty days counting from the date his release was granted;

2. He has left the territory of the Requesting Party after his extradition and has voluntarily returned to it; or

3. The Requested Party has consented to his detention, trial or punishment for an offense other than that for which extradition was granted or has consented to his extradition to a third State provided such other offense is included in Article 2 of this Treaty.

For the purposes of subparagraphs 1 and 2 of this Article, the person extradited must be formally advised at the time he is released in the territory of the Requesting Party of the possible consequences if he remains in the territory of that Party.

The stipulations of subparagraphs 1, 2, and 3 of this Article shall not apply to offenses committed after the extradition.

ARTICLE 14

The Requested Party upon receiving two or more requests for the extradition of the same person, either for the same offense or for different offenses, shall determine to which of the Requesting States it will grant extradition, taking into consideration all the circumstances of the case and, particularly, the possibility of a later extradition between the Requesting States, the seriousness of each offense, the place where the offense was committed, the nationality of the person sought, the dates upon which the requests were received and the provisions of any extradition agreements between the Requested Party and the other Requesting States.

ARTICLE 15

The Requesting Party shall promptly communicate to the Requesting Party through the diplomatic channel the decision on the request for extradition.

If a warrant or order for the extradition of a person sought has been issued by the competent authority and he is not removed from the territory of the Requested Party within thirty days from the date of said communication, he shall be set at liberty and the Requested Party may subsequently refuse to extradite that person for the same offense.

ARTICLE 16

To the extent permitted under the law of the Requested Party and subject to the rights of third Parties, which shall be duly respected, all articles, objects of value or documents relating to the offense, whether acquired as a result of the offense or used

for its execution, or which in any other manner may be material evidence for the prosecution, shall, if found, be surrendered upon the granting of the extradition even when extradition cannot be effected due to the death or disappearance of the accused.

ARTICLE 17

Transit through the territory of one of the Contracting Parties of a person surrendered to the other Contracting Party by a third State shall be granted on request made through the diplomatic channel, which request shall be accompanied by a copy of the warrant or order of extradition, provided that conditions are present which would warrant extradition of such person by the State of transit and reasons of public order are not opposed to the transit.

The Requesting Party shall reimburse the State of transit for any expenses incurred in connection with such transportation.

ARTICLE 18

Expenses related to the translation of documents and to the transportation of the person sought shall be paid by the Requesting Party. The appropriate legal officers of the country in which the extradition proceedings take place shall, by all legal means within their power, assist the Requesting Party before the respective judges and magistrates.

No pecuniary claim arising out of the arrest, detention, examination and surrender of persons sought under the terms of this Treaty shall be made by the Requested Party against the Requesting Party.

ARTICLE 19

This Treaty shall apply to offenses specified in Article 2 committed before as well as after the date this Treaty enters into force, provided that no extradition shall be granted for an offense committed before the date this Treaty enters into force which was not an offense under the laws of both Contracting Parties at the time of its commission.

ARTICLE 20

This Treaty shall be subject to ratification and shall enter into force the day of the exchange of the instruments of ratification which will take place in Washington.

It may be terminated at any time by either Contracting Party by prior notification to the other Contracting Party, and termination shall become effective six months after the date such notification is received.

This Treaty shall terminate and supersede the Extradition Treaty between the United States of America and the Republic of Paraguay done at Asunción on March 26, 1913.

In witness whereof the undersigned, being duly authorized thereto by their respective Governments, have signed this Treaty.

Done in duplicate, in the English and Spanish languages, both equally authentic, at the City of Asunción, this twenty-fourth day of May, one thousand nine hundred seventy-three.

For the United States of America:

GEORGE W. LANDAU,
Ambassador Extraordinary and Plenipotentiary.

For the Republic of Paraguay:

RAUL SAPENA PASTOR,
Minister of Foreign Relations.

TREATY ON EXTRADITION AND COOPERATION IN PENAL MATTERS BETWEEN THE UNITED STATES OF AMERICA AND THE ORIENTAL REPUBLIC OF URUGUAY

The United States of America and the Oriental Republic of Uruguay, desiring to make more effective the cooperation of the two countries in the repression of crime, agree as follows:

ARTICLE 1

The Contracting Parties agree to extradite on a reciprocal basis to the other, in the circumstances and subject to the conditions established in this Treaty, persons found in the territory of one of the Parties who have been charged with or convicted by the judicial authorities of the other of the offenses mentioned in Article 2 of this Treaty committed within the territory of such other, or outside thereof under the conditions specified in Article 3.

ARTICLE 2

Persons shall be delivered up according to the provisions of this Treaty for any of the following offenses provided that these offenses are punishable by the laws of both Contracting Parties by deprivation of liberty for a maximum period exceeding one year:

1. Murder or manslaughter.
2. Abortion.
3. Aggravated injury or mutilation or assault.
4. Illegal use of arms.
5. Willful abandonment of a child or spouse when for that reason the life of that child or spouse is or is likely to be endangered or death results.
6. Rape; statutory rape; indecent assault; corruption of minors, including unlawful sexual acts with or upon minors under the age specified by the penal laws of both Contracting Parties.
7. Procuration; promoting or facilitating prostitution.
8. False imprisonment; abduction or child stealing; kidnapping.
9. Robbery or larceny or burglary.
10. Extortion or threats.
11. Bigamy.
12. Fraud; embezzlement or breach of fiduciary relationships; obtaining money, valuable securities or property, by false pretenses or by other fraudulent means including the use of the mails or other means of communication.
13. Unlawful manufacture, use, distribution, supply, acquisition or possession, or theft of bombs, apparatus capable of releasing nuclear energy, explosive or toxic materials, asphyxiating or flammable materials.
14. Offenses that endanger the safety of means of transportation or communication, including any act that endangers any person on a means of transportation.
15. Piracy and any act of mutiny or revolt on board an aircraft or vessel against the authority of the captain or commander of such aircraft or vessel, any seizure or exercise of control, by force or violence or threat of force or violence, of an aircraft or vessel.
16. Offenses against public health.
17. Unlawful introduction or importation, exportation, fabrication, production, preparation, sale, delivery or supply of narcotic drugs, psychotropic drugs, cocaine and its derivatives and other dangerous drugs including cannabis sativa L, and chemicals or substances injurious to health or of primary materials designed for such fabrication.
18. Introduction, export, fabrication, transportation, sale or transmission, use, possession or stockpiling of explosives, offensive chemicals or similar materials, substances or instruments designed for such fabrication, arms, munitions, nuclear elements and other materials considered war material, other than such acts legally provided for or properly authorized.
19. Bribery, including soliciting, offering and accepting.
20. Malversation.
21. False statements, accusations or testimony effected before a government agency or official.
22. Counterfeiting or forgery of money, bank bills, bonds, documents of credit, seals, stamps, marks, and public and private instruments. For the purpose of this offense, holographic wills, sealed wills, checks, letters of exchange and negotiable or bearer documents shall be considered public instruments.
23. Issuance, acceptance or endorsement of receipts which do not conform, totally or partially, to purchases and sales actually performed.
24. Execution or issuance of checks without sufficient funds.
25. Smuggling.
26. The acquisition, receipt or concealment of money, objects or valuables, knowing the article is the result of a crime, whether or not the receiver participated in such crime or intervened pursuant to an agreement preceding the offense.
27. Arson; malicious or willful injury to property.
28. An offense against any law relating to the protection of the life or health of persons from contaminated or poisoned water, substances or products.
29. Any offense against the bankruptcy laws.
30. Industrial or commercial fraud, including:

(a) The raising or lowering the price of merchandise, public funds or negotiable instruments through the use of false information, simulated negotiations, meetings or coalitions, for the purpose of not selling certain merchandise or of selling at a fixed price.

(b) The offering of public funds or stocks or financial obligations of the corporations, companies, partnerships, or corporate bodies, dissimulating or concealing facts or true circumstances or affirming or expressing false statements or circumstances.

(c) The publishing or authorizing of false or incomplete inventories, accounts, profit and loss statements, reports or statements or informing a meeting of partners by falsehood or the withholding of information about important facts needed to understand the economic condition of a firm, for whatever end.

In the case of subparagraph (a) and (b) of this item, the offense can be committed by any individual as well as by members of corporations or partnerships of any nature. In the supposition of subparagraph (c) of this item, the offense must necessarily have been committed by incorporators, directors, administrators, liquidators or trustees of incorporated entities, cooperatives or other joint companies.

31. Assault upon a public official.
32. Unlawful interference in any administrative or judicial proceeding by bribing, threatening, or injury by any means, any officer, juror, witness or duly authorized person.

Extradition shall also be granted for participation in any of the offenses mentioned in this Article, not only as principal or accomplices, but as accessories, as well as for attempt to commit or conspiracy to commit any of the aforementioned offenses, when such participation, attempt or conspiracy is subject, under the laws of both Parties, to a term of imprisonment exceeding one year.

If extradition is requested for any offense mentioned in the first or second paragraphs of this Article and that offense is punishable under the laws of both Contracting Parties by a term of imprisonment exceeding one year, such offense shall be extraditable under the provisions of this Treaty whether or not the laws of both Contracting Parties would place that offense within the same category of offenses made extraditable by the first or second paragraphs of this Article and whether or not the laws of the requested Party denominate the offense by the same terminology.

Extradition shall also be granted for any offense against a federal law of the United States in which one of the above-mentioned offenses is a substantial element, even if transporting, transportation, the use of the mails or interstate facilities are also elements of the specific offense.

In the case in which a person has already been sentenced, extradition will be granted only if the sentence imposed or remaining to be served is a minimum of one year of imprisonment.

ARTICLE 3

For the purposes of this Treaty, the territory of a Contracting Party shall include all the territory under the jurisdiction of that Contracting Party, including airspace and territorial waters and vessels and aircraft registered in that Contracting Party if any such aircraft is in flight or if any such vessel is on the high seas when the offense is committed. For purposes of this Treaty an aircraft shall be considered to be in flight from the moment when power is applied for the purpose of take-off until the moment when the landing run ends. The aforementioned provisions do not exclude the application of penal jurisdiction exercised in accord with the legislation of the requested Party.

When the offense for which extradition has been requested has been committed outside the territory of the requesting Party, extradition may be granted if the laws of the requested Party provide for the punishment of such an offense committed in similar circumstances.

ARTICE 4

A requested Party shall not decline to extradite a person sought because such person is a national of the requested Party.

ARTICLE 5

Extradition shall not be granted in any of the following circumstances:

1. When the person whose surrender is sought is being proceeded against or has been tried and discharged or punished in the territory of the requested Party for the offense for which his extradition is requested.

2. When the person whose surrender is sought has been tried and acquitted, or has undergone his punishment in a third State for the offense for which his extradition is requested.

3. When the prosecution or the enforcement of the penalty for the offense has become barred by lapse of time according to the laws of either of the Contracting Parties.

4. When the offense for which the extradition is requested is of a political character, or the person whose extradition has been requested proves that the extradition request has been made for the purpose of trying or punishing him for an offense of the above-mentioned character. In either case, the final judgment as to the application of this subparagraph shall rest with the requested Party.

The provisions of subparagraph 4 of this Article shall not be applicable to the following:

(a) An attempt, whether consummated or not, against the life, the physical Integrity or the liberty of the Head of State of either Contracting Party or of a member of the Cabinet of the Government of the United States of America or a Minister of the Government of the Oriental Republic of Uruguay or a member of the respective family.

(b) A kidnapping, murder or other assault against the life or physical intergrity of a person to whom a Contracting Party has the duty according to international law to give special protection, or any attempt to commit such an offense with respect to any such person.

(c) An offense committed by force or threat of force on board a commercial aircraft carrying passengers in scheduled air services or on a charter basis.

ARTICLE 6

When the person whose extradition is requested is, at the time of the presentation of the request for extradition, under the age of 18 years and has permanent residence in the requested Country and the competent authorities of that Country determine that extradition would prejudice the social readjustment and rehabilitation of that person, the requested Party may suggest to the requesting Party that the request for extradition be withdrawn, specifying the reasons therefor.

The provisions of the preceding paragraph will be applicable only in the case in which the person sought is subject to prosecution in accordance with the laws of the requested Party.

ARTICLE 7

When the offense for which the extradition is requested is punishable by death under the laws of the requesting Party, and the laws of the requested Country do not permit the death penalty for that offense, extradition may be refused unless the requesting Party provides such assurances as the requested Party considers sufficient that the death penalty shall not be imposed, or, if imposed, shall not be executed.

ARTICLE 8

When the person whose extradition is requested is being proceeded against or is serving a sentence in the territory of the requested Party for an offense other than that for which extradition has been requested, his surrender may be deferred until the conclusion of the proceedings and, in the case of a conviction, until the full execution of any punishment he may or may have been awarded.

ARTICLE 9

The determination that extradition should or should not be granted shall be made in accordance with this Treaty and the law of the requested Party. The person whose extradition is sought shall have the right to use such remedies and recourses as are provided by the law of the requested Party.

ARTICLE 10

1. The request for extradition shall be made through the diplomatic channel.

2. The request shall be accompanied by:

(a) A statement of the facts of the case.

(b) The data necessary to prove the identity of the person whose extradition is sought including, when possible, photographs and fingerprints.

(c) The text of the applicable laws, including the laws defining the offense and the laws relating to the limitation of the legal proceedings or the enforcement of the legal penalty for the offense.

3. When the request relates to a person who has not yet been convicted, it must be accompanied by a warrant of arrest issued by a judge or other judicial officer of the requesting Party.

The requested Party may require the requesting Party to produce evidence to establish probable cause that the person claimed has committed the offense for which extradition is requested. The requested Party may refuse the extradition request if an examination of the case in question shows that the warrant is manifestly ill-founded.

4. When the request relates to a person already convicted, it shall be accompanied by the following:

(a) When emanating from the United States of America, a copy of the judgment of conviction and of the sentence if it has been passed.

(b) When emanating from the Oriental Republic of Uruguay, a copy of the sentence.

In a case envisioned in this paragraph, a certification showing that the sentence has not been served or how much of the sentence has not been served shall also be sent to the requested Party.

5. The documents which, according to this Article, shall accompany the extradition request, shall be admitted in evidence when:

(a) In the case of a request emanating from the United States of America, they are signed by a judge, magistrate or officer of the United States of America, authenticated by the official seal of the Department of State and certified by the principal diplomatic or consular officer of the Oriental Republic of Uruguay in the United States of America.

(b) In the case of a request emanating from the Oriental Republic of Uruguay they are signed by a judge or other judicial authority and are legalized by the principal diplomatic or consular officer of the United States of America in the Oriental Republic of Uruguay.

6. All the documents mentioned in this Article shall be accompanied by a translation into the language of the requested Party which will be at the expense of the requesting Party.

ARTICLE 11

In case of urgency the Contracting Parties may request, through their respective diplomatic agents or by direct communication between the Department of Justice of the United States and the Ministry of the Interior of the Oriental Republic of Uruguay, the provisional arrest of an accused as well as the seizure of objects relating to the offense of which he has been accused and which objects are in the possession of the accused or of his associate or representative, and the location of which has been identified by the requesting Party. The requesting Party shall support a request for objects by evidence showing the relationship of the objects to the offense charged. The requested Party may decline this request if it appears that the interest of innocent third parties has intervened.

The request for provisional arrest shall be granted if it contains a declaration of the existence of one of the documents enumerated in Article 10, paragraphs 3 and 4, the description of the person sought and the offense for which he has been charged.

If, within forty-five calendar days from the date of provisional arrest, the requesting Party fails to present the formal request for extradition to the Department of State in a request emanating from the Oriental Republic of Uruguay, or to the Ministry of Foreign Affairs in a request emanating from the United States of America, supported by the documents required by Article 10, the person claimed shall be released and a new request based on the same offense shall be admitted only if a formal request for extradition is presented with all the requirements enumerated in Article 10.

ARTICLE 12

If the requested Party requires additional evidence or information to enable it to decide on the request for extradition, such evidence or information shall be submitted to it within such time as that Party shall require.

If the person sought is under arrest and the additional evidence or information submitted as aforesaid is not sufficient or if such evidence or information is not received within the period specified by the requested Party, he shall be discharged from custody. Such discharge shall not bar the requesting Party from submitting another request in due form in respect of the same or any other offense.

ARTICLE 13

A person extradited under the present Treaty shall not be detained, tried or punished in the territory of the requesting Party for an offense other than that for which extradition has been granted nor be extradited by that Party to a third State unless:

1. If, upon being released, he remains in the territory of the requesting Party for more than thirty days counting from the date his release was granted; or

2. When, having left the territory of the requesting Party after his extradition, he has voluntarily returned to it;

3. When the requested Party has manifested its consent to his detention, trial or pun-

ishment for an offense other than that for which extradition was granted or to his extradition to a third State provided such other offense is covered by Article 2.

For the purposes of subparagraphs 1 and 2 of this Article, the person extradited must be formally advised at the time he is released in the requesting Party of the possible consequences if he remains in the territory of that Party.

The stipulations of subparagraphs 1, 2 and 3 of this Article shall not apply to offenses committed after the extradition.

ARTICLE 14

The requested Party upon receiving two or more requests for the extradition of the same person, either for the same offense or for different offenses, shall determine to which of the requesting States it will grant extradition, taking into consideration all the circumstances of the case and, particularly, the possibility of a later extradition between the requesting States, the seriousness of each offense, the place where the offense was committed, the nationality of the person sought, the dates upon which the requests were received and the provisions of any extradition agreements between the requested Party and the other requesting States.

ARTICLE 15

The requested Party shall promptly communicate to the requesting Party through the diplomatic channel the decision on the request for extradition.

If a warrant or order for the extradition of a person sought has been issued by the competent authority and he is not removed from the territory of the requested Party within thirty days from the date of said communication, he shall be set at liberty and the requested Party may subsequently refuse to extradite that person for the same offense.

ARTICLE 16

To the extent permitted under the law of the requested Party and subject to the rights of third Parties, which shall be duly respected, all articles, objects of value or documents relating to the offense, whether acquired as a result of the offense or used for its execution, or which in any other manner may be material evidence for the prosecution, shall, if found, be surrendered upon the granting of the extradition even when extradition cannot be effected due to the death or disappearance of the accused.

ARTICLE 17

Transit through the territory of one of the Contracting Parties of a person surrendered to the other Contracting Party by a third State shall be granted on request made through the diplomatic channel, which request shall be accompanied by a copy of the warrant or order of extradition, provided that conditions are present which would warrant extradition of such person by the State of transit and reasons of public order are not opposed to the transit.

The requesting Party shall reimburse the State of transit for any expenses incurred in connection with such transportation.

ARTICLE 18

Expenses related to the translation of documents and to the transportation of the person sought shall be paid by the requesting Party. The appropriate legal officers of the country in which the extradition proceedings take place shall, by all legal means within their power, assist the requesting Party before the respective judges and magistrates.

No pecuniary claim arising out of the arrest, detention, examination and surrender of persons sought under the terms of this Treaty shall be made by the requested Party against the requesting Party.

ARTICLE 19

In order to cooperate in the prevention and repression of crime, subject to their respective national laws the Contracting Parties agree as follows:

1. To exchange information and to consider the most efficient administrative techniques for the prevention and repression of crime;

2. To expedite as rapidly as possible requests in connection with those offenses listed in this Treaty;

3. To exchange statistical data and the results of research in the field of criminology.

The PRESIDING OFFICER. If there be no objection, Executive O. Executive J, Executive G. Executive M. Executive S, and Executive K, all of the 93d Congress, first session, will be considered as having passed through their various parliamentary stages up to and including the presentation of resolutions of ratification, which will be read for the information of the Senate.

The resolution of ratification of Executive O was read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the International Coffee Agreement 1968, As Extended, adopted by the International Coffee Council in its Resolution No. 264 of April 14, 1973 (Ex. O, 93–1).

The resolution of ratification of Executive J was read as follows:

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Agreement between the United States of America and Canada for Promotion of Safety on the Great Lakes by Means of Radio, 1973, signed at Ottawa on February 26, 1973 (Ex. J, 93–1).

The resolution of ratification of Executive G was read as follows:

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of their Phonograms, done at Geneva October 29, 1971 (Ex. G. 93–1).

The resolution of ratification of Executive M was read as follows:

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty on Extradition between the United States of America and Italy, signed at Rome on January 18, 1973 (Ex. M, 93–1).

The resolution of ratification of Executive S was read as follows:

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty on Extradition between the United States of America and the Republic of Paraguay, signed at Asunción on May 24, 1973 (Ex. S, 93–1).

The resolution of ratification of Executive K was read as follows:

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty on Extradition and Cooperation in Penal Matters between the United States of America and the Oriental Republic of Uruguay, signed at Washington on April 6, 1973 (Ex. K, 93–1).

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report on Executive O (No. 93–16), explaining the purposes of the measure.

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

[Excerpt from Report on Executive O—No. 93–16]

MAIN PURPOSE OF THE AGREEMENT

The main purpose of the agreement is to extend the International Coffee Agreement of 1968 for an additional period of two years, with substantial modifications. The extension will keep the structure of the International Coffee Organization intact until September 30, 1975, but the substantive economic provisions of the Coffee Agreement will lapse.

BACKGROUND

The International Coffee Agreement was negotiated in 1962 and came into force in 1963 in response to pressures from the coffee-producing countries of Latin America and Africa at a time of sagging coffee prices and burdensome surpluses. It was designed to stabilize the world price of coffee by assigning quotas to exporting countries. In 1968, the Agreement was renegotiated and extended for a period of five years, to September 30, 1973. The 1968 Agreement included new provisions designed to reduce the dependence of producing countries on coffee as a source of foreign exchange by encouraging diversification of their agriculture. To this end, a Coffee Diversification Fund was established to be financed by producing countries through a contribution of a stated amount per bag of their coffee exports. There was also established a World Coffee Promotion Committee.

During the 1960's, the Agreement achieved a degree of success in bolstering coffee prices. In the early 1970's, due mainly to bad weather in Brazil, the international coffee market changed drastically, shifting from a situation of surplus to one of shortage, and prices rose. (The price of Brazilian Santos No. 4 coffee in New York on September 21, 1973, for example, was 70 cents a pound, compared to 57 cents a year before.) A dispute arose between importing countries, which wanted to increase export quotas, and producing countries, which wanted to maintain the status quo. A sub-issue was a dispute among producing countries themselves, mainly between Brazil and Colombia (the two biggest producers) on one side, and the African producers on the other. Brazil, which had been so hard hit by the weather that it no longer had surplus stocks and was barely able to meet its commitments, and to a lesser extent Colombia were fearful that an increase in quotas would result in Africa capturing a larger share of the world market. African coffee was already becoming more competitive in the world market because of the growing use of instant coffee, most of which is made from African grades.

In any event, in prolonged meetings in late 1972, the International Coffee Council was unable to agree on quotas for the balance of the 1972–73 coffee year (ending September 30, 1973) and the operative provisions of the Coffee Agreement became, for practical purposes, a dead letter. It was apparent that efforts to negotiate a substantive extension of the Agreement would be fruitless, but at the same time it was felt that the International Coffee Council should be kept in being, both as a forum for future negotiations should the world coffee situation change and, in the meantime, as a mechanism for gathering and reporting coffee statistics. Therefore, on April 14, 1973, the Coffee Council approved a resolution extending the 1968 Agreement, with substantial modification, for a two-year period from September 30, 1973 to September 30, 1975.

PROVISIONS OF THE AGREEMENT AS EXTENDED

There is appended to this report the complete text of the 1968 Agreement with changes made by the 1973 extension. The most important of these changes are as follows:

1. As a reflection of the development of the European Economic Community, provision is made for that Community or comparable intergovernmental organizations to act as a single member of the Agreement.

2. The original Agreement provided that exporting members, as a group, would have 1000 votes and that importing members, as a group, would have 1000 votes. Decisions can be taken only by a majority (or in some cases, two-thirds) of each group. Voting power among exporting countries was proportional to their qoutas. Since there are no quotas in the extended Agreement, specific votes are assigned to exporting countries. The distribution of votes among importing countries remains, as before, in proportion to the average volume of their respective coffee imports in the preceding three-year period. In the case of the United States, this means a reduction from 400 votes originally to 386 currently.

3. The extension deletes all the provisions relating to regulation of exports, quotas, certificates of origin and re-export, processed coffee, regulation of imports, increase of consumption, production policy and controls, regulation of stocks, seasonal financing, diversification, barter, and disputes and complaints.

4. The old Agreement provided that it could be renegotiated or extended by a two-thirds majority of the votes exporting and importing members, computed separately. The extension contains a more complicated provision that a new Agreement can be negotiated "by a vote of 58 percent by the Members having not less than a distributed majority of 70 percent of the total votes." This convolution was designed to deal with differences between African and Latin American exporting countries. In any event, it does not affect the United States which currently has 38.6 percent of the importing votes and is unlikely to fall below 35 percent in the next two years.

5. Provision is made for the liquidation of the Diversification Fund and the Coffee Promotion Fund. Neither of these has been the recipient of any United States Government funds.

COMMITTEE ACTION

The President transmitted the extended Agreement to the Senate July 23, 1973 with a request for advice and consent to ratification. The Committee on Foreign Relations considered the matter in executive session on September 18 and 25. On the latter date, it voted (by voice vote) to report the Agreement favorably, without reservations.

COST ESTIMATE

The estimated cost to the United States of continuing to participate in the International Coffee Agreement as extended is $280,000 for fiscal year 1974 and should be substantially less of FY 1975 as the staff or the organization is dismantled.

COMMITTEE COMMENTS AND RECOMMENDATIONS

The committee approved the extension of the International Coffee Agreement mainly on the grounds that it is better to have such a forum for the discussion of coffee issues than not to have it. This action of the committee should by no means be taken to imply approval of any future substantive agreement relating to coffee—or to any other commodity, for that matter. That issue does not require decision at this time.

What does require prompt decision is the question of continuing United States participation in the organizational, as distinguished from the substantive, provisions of the Coffee Agreement. The old Agreement expires September 30. The extension becomes effective only if, by that date, at least 20 exporting members and 10 importing members, holding a majority of votes notify the Secretary General of the United Nations of their acceptance of the extension. It is important, therefore, that if the United States is going to accept the extension, it do so promptly.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report on Executive J (No. 93–17), explaining the purposes of the measure.

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

PURPOSE

This agreement was signed on February 26, 1973, and transmitted to the Senate on May 14. Upon entry into force, it will terminate and replace a similar agreement which was signed in 1952. The stated purposes of the agreement (Article II) are as follows:

(a) To provide for cooperation between Canada and the United States in the field of governmental regulation and practices relating to fitting, usage and maintenance of radiocommunication equipment for safety purposes aboard specified classes of vessels of all nationalities operating on the Great Lakes of North America;

(b) To provide the highest practicable standards in matters concerning use of radiocommunication and associated equipment for maritime distress, safety and efficiency of navigation on the Great Lakes;

(c) To provide uniformity of regulations on radiocommunications for safety purposes to ships of all nationalities operating on the Great Lakes.

MAJOR PROVISIONS

The pending agreement is designed to modernize certain technical provisions of the 1952 agreement and to provide more expeditious procedures for adopting amendments.

It is understood that as a result of increased vessel traffic on the Great Lakes, the congestion on the radio frequencies authorized by the 1952 agreement had become so great as to make it necessary to change that agreement to include another frequency band for certain radio functions. Accordingly, this new agreement requires that, effective January 1, 1975, all vessels covered by the agreement (i.e., vessels 65 feet or more in length; vessels engaged in towing another vessel or floating object; and any vessel carrying more than six passengers for hire) must have very high frequency radiotelephone equipment operating in a certain band (156–162 MHz). The agreement also designates a distress, safety and calling frequency (156.8 MHz). In addition, the technical regulations of the 1973 agreement are, in general, more specific and are updated to conform with modern radio practices and capabilities.

Amendments to the articles of the agreement (Article XVIII) may be accomplished through an exchange of notes between Canada and the United States "indicating that whatever approval may be required constitutionally has been obtained."

DATE OF ENTRY INTO FORCE

This agreement will come into force one year after instruments of ratification are exchanged (Article XX). It may be terminated by either party after the expiration of five years from the date the agreement enters into force, unless the parties agree to terminate it earlier. Termination will take effect twelve months following the date of notification (Article XXI).

COMMITTEE ACTION

The Committee on Foreign Relations held a public hearing on the Agreement with Canada for Promotion of Safety on the Great Lakes by Means of Radio, 1973, on September 25, 1973. At that time, Mr. Gordon L. Huffcutt, Office of Telecommunications, Department of State, testified in support of the convention.

On the same day, the Committee met in executive session and, by voice vote, ordered the convention reported with the recommendation that the Senate give its advice and consent to ratification.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report on Executive G (No. 93–18), explaining the purposes of the measure.

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

PURPOSE

The Convention for the Protection of Producers of Phonograms, done at Geneva October 29, 1971, is designed to deal with the illicit practice of pirating records and tapes. According to the administration, the unauthorized duplication of legitimate commercial recordings has grown by leaps and bounds during the last decade and it is now estimated that $300 million worth of pirated records and tapes are made and sold throughout the world each year. In the United States alone, the value of pirated records and tapes is estimated at $100 million. This unauthorized copying and sale of legitimately produced records and tapes is a serious problem for every composer, author, performing artist, and record producer, and it is expected that this activity will continue to grow unless effective legal efforts are taken to combat it and reverse the trend. The Committee on Foreign Relations is informed that the pending convention will provide the basis for a satisfactory resolution of the problem.

BACKGROUND

Twelve countries, but not the U.S.A., agreed to the Rome Convention of 1961 for the protection of Performers, Producers of Phonograms and Broadcasting Organizations. Although that convention protected record producers internationally, the United States and other countries favored negotiating the present convention in order to gain broader acceptance of the principle of protection. In consultation with the British, the United States proposed that French, German, United Kingdom, and United States representatives meet to outline general principles. Their draft was completed in December 1970. Subsequently, government experts from 41 countries met in Paris from March 1–5, 1971, and submitted the draft convention for adoption and signature at a conference held in Geneva from October 18–29, 1971. It entered into force in April 1973, with the deposit of the fifth instrument of ratification, and at the present time six countries (France, Sweden, United Kingdom, Finland, Fiji, and Argentina) are party to the convention. The Recording Industry Association of America and the American Bar Association endorse U.S. ratification.

MAJOR PROVISIONS

The key provision of this convention is article 2 which provides that contracting states will protect the nationals of other contracting states against the making or importation of duplicate recordings without the consent of the producer if the intent is to distribute them to the public.

Article III allows each state to determine how, under its own domestic laws, the convention will be implemented, such as through the issuance of copyrights, through laws relating to unfair competition or through penal sanctions.

Article VI considers the needs of "developing countries." It provides for compulsory licensing of sound recordings "solely for the purpose of teaching or scientific research" but, in consideration of the arguments advanced against compulsory licensing at the time the Senate discussed (and approved) the Universal Copyright Convention in 1972, it places limits on such licenses and requires "equitable remuneration" to be fixed by a competent authority.

Article VII allows parties to the convention to grant retroactive protection but does not make it obligatory.

Article VIII gives the International Bureau of the World Intellectual Property Organization, in cooperation with UNESCO and ILO, the responsibility of conducting studies and publishing information concerning the protection of phonograms taking place in each contracting state.

COMMITTEE ACTION

The Committee on Foreign Relations held a public hearing on the Convention for the Protection of Producers of Phonograms on September 25, 1973. At that time Mr. Harvey J. Winter, Director, Office of Business Practices, Bureau of Economic and Business Affairs, Department of State, testified in support of the convention.

On the same day, the committee met in executive session and, by voice vote, ordered the convention reported with the recommendation that the Senate give its advice and consent to ratification.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report on Executives S, M, and K (No. 93–19), explaining the purposes of the measures.

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

TREATY WITH ITALY

The Extradition Treaty with Italy was signed at Rome on January 18, 1973, and transmitted to the Senate on June 27. It will terminate and replace the extradition treaty between the United States and Italy signed at Washington on March 23, 1868, as amended and supplemented by the conventions signed on January 21, 1869, and June 11, 1884, respectively, as well as the agreement effected by an exchange of notes dated April 16 and 17, 1946.

TREATY WITH PARAGUAY

The treaty with Paraguay was signed at Asunción on May 24, 1973, and transmitted to the Senate on September 12. It will terminate and supersede the extradition treaty between the United States and Paraguay done at Asunción on March 26, 1913.

TREATY WITH URUGUAY

The Extradition Treaty with Uruguay was signed at Washington on April 6, 1973, and transmitted to the Senate on May 21. It will terminate the treaty between the United States and Uruguay signed at Washington on March 11, 1905, but extraditable offenses committed prior to the entry into force to the present treaty will continue to be subject to extradition pursuant to the provisions of the earlier treaty.

PROVISIONS OF TREATIES

According to the Administration, the provisions of these treaties follow generally the form and content of extradition treaties recently concluded by the U.S. Government. The most significant offenses included in these treaties are those relating to narcotics, including psychotropic drugs and other dangerous drugs, and the offenses of aircraft hijacking. The treaties also include a provision in Article II which enables extradition to be granted in case of conspiracy to commit any of the extraditable offenses.

Set forth below is a comparative analysis of the provisions contained in all three treaties:

Article I. Persons found in the territory of the other country, charged with crimes listed in Article II, are subject to extradition.

Article II sets forth the extraditable offenses. They include: murder, assault, arson, rape, prostitution, the manufacture of bombs, piracy, dealing in narcotics, bigamy, larceny, offenses against public health, smuggling, counterfeiting, malversation, bribery, interference with judicial procedures, receipt of stolen goods, offenses against bankruptcy, industrial or commercial fraud, or conspiracy to commit any of those offenses. The Italian treaty defines "conspiracy" as being committed when evidence is produced "establishing probable cause that two or more persons have conspired to commit any offense . . . and when one or more of such persons have done any act to effect the object of the conspiracy." The Italian treaty places the offense under U.S. federal jurisdiction when transportation from one state to another is involved. Paraguay and Uruguay will grant extradition for "any offense against a federal law of the United States."

Article III defines the territorial application of each treaty to include all territory under the jurisdiction of either party including territorial waters and airspace and has been extended to include registered aircraft in flight, meaning from takeoff to landing as defined by the Tokyo Convention of September 14, 1963. The purpose is to extend jurisdiction to aircraft piracy whether committed over national territory or not.

The treaties with Italy (*Article IV*) and Uruguay (*Article 4*) provide that persons can be extradited even though they are nationals of the requested party. The Paraguayan treaty says "the Contracting Parties shall not be bound to grant extradition of their own nationals," and allows each to determine "the status of nationality." However, each can permit extradition if it believes it is proper to do so. If denied, the accused shall be tried locally under domestic laws, if they apply.

Article V requires, in the case of Italy, sufficient evidence that the accused has been properly identified and actually committed the crime.

Article 5 (for Paraguay and Uruguay) and *Article VI* (for Italy) provide that extradition will not be granted if contrary to the legal principles of double jeopardy, prior imprisonment for the same offense either locally or in a third country and, if the statute of limitations has run. It also excludes offenses of a political nature, although not in cases involving attempted homicide, kidnapping and threats to the safety of commercial aircraft. The Italian treaty also excepts infractions of military law which are not an offense under ordinary criminal law.

Under the provisions of *Article 6* (for Paraguay and Uruguay) and *Article VII* (for Italy), a party may refuse extradition of a person under 18 with permanent residence in its country if it is determined that extradition would disrupt the social readjustment and rehabilitation of that person.

Article 7 (for Paraguay and Uruguay) and *Article VIII* (for Italy) provide that, if the death penalty is possible under the laws of the requesting party but not that of the requested party, the latter may refuse extradition unless given assurances the death penalty will not be imposed. All recent treaties have carried a similar article so as to avoid judicial delays of extradition arising from claims of "cruel and unusual punishment."

Article 8 (for Paraguay and Uruguay) and *Article IX* (for Italy). The surrender of a fugitive may be delayed, if he is on trial or serving a sentence for a criminal act other than that cited in the extradition request, until either the trial or sentence is completed.

Article 9 (for Paraguay and Uruguay) and *Article X* (for Italy). The requested party shall determine if extradition should be granted according to the terms of the treaty and its own domestic laws. The accused may take all legal remedies to prevent extradition which are allowed under the laws of the requested party.

Article 10 (for Paraguay and Uruguay) *Article XI* (for Italy). Requests for extradition will be made through diplomatic channels and must be accompanied by a statement of the facts, positive identification of the individual, texts of applicable law, an arrest warrant, and sufficient evidence to establish probable guilt. For persons already convicted, the judgment and sentence shall be provided. Translations and proper authentication of documents are required. The text of the Italian convention differs, but it has substantially the same meaning.

Article XII of the treaty with Italy provides that the competent authorities of either country have the power to grant extradition of persons in cases of conviction in absentia or for willful contempt of court (contumacy) if the safeguards cited in the article are fulfilled.

Article 11 (for Paraguay and Uruguay) and *Article XIII* (for Italy). Provisional arrest and seizure of evidence may be requested through diplomatic channels or, in cases of urgency, through the appropriate departments of justice accompanied by appropriate supporting evidence. Provisional arrest must be followed within 45 days by a formal request for extradition or the accused may be released.

Article 12 (for Paraguay and Uruguay) and *Article XIV* (for Italy). If the evidence submitted is not deemed sufficient, the requested party may demand additional proof and specify the time for its submission. If the additional evidence is delayed beyond that time or is still considered insufficient, the accused may be released. However, if this is done, another request for the same or other offense may be submitted later.

Article 13 (for Paraguay and Uruguay) and *Article XV* (for Italy). A person may not be detained, tried or punished in the country to which extradited for other than the offense named in the request unless: (a) he remains in that country more than 30 days after being released (45 days for Italy); (b) returns to it voluntarily, or (c) the requested party consents to other charges being added. In the treaties with Paraguay and Uruguay, the person must receive due warning of the conditions set forth in (a) and (b). That stipulation is not included in the Italian treaty. Crimes committed after extradition are excepted.

Article 14 (for Paraguay and Uruguay) and *Article XVI* (for Italy). If two or more states request extradition of the same person, the requested party will determine which request to honor, taking into consideration the seriousness of the crimes, the nationality of the accused, the dates the requests were received, and provisions of extradition treaties of the requesting parties and itself.

Article 15 (for Paraguay and Uruguay) and *Article XVII* (for Italy. The requested party shall promptly communicate through diplomatic channels its decision on the extradition request. If within 30 days thereafter a properly executed warrant has not been issued and the accused has not been removed, the requested party may release him and subsequently refuse to extradite him for the same offense.

Article 16 (for Paraguay and Uruguay) and *Article XVIII* (for Italy). If extradition is granted, all supporting material evidence for the prosecution must be surrendered, subject to the rights of third persons, even if the accused escapes or dies.

Article 17 (for Paraguay and Uruguay) and *Article XIX* (for Italy). The transit of arresting officers and a person under extradition

order from a third country will be granted provided a request is made through diplomatic channels and the requesting party reimburses the other for any expenses incurred in the transit.

Article 18 (for Paraguay and Uruguay) and *Article XX* (for Italy). Each party shall assist the other in the presentation of extradition cases before its respective judges and magistrates, but the expenses involved in the translation of documents and the transportation of a person shall be paid by the requesting state. This clause, which has become normal in recent conventions, is included because the costs of presentation have been a hindrance to the making of extradition requests.

Article 19 (for Uruguay). Both parties will exchange information dealing with the prevention and repression of crime, including statistical data and results of research in the field of criminology. This clause accounts for the difference in title between the treaty with Uruguay and those with Italy and Paraguay where the article is not included.

Article 19 (for Paraguay), *Article 20* (for Uruguay), and *Article XXI* (for Italy). The treaties apply to offenses specified in Article II committed before as well as after the date of ratification if the offense was illegal under the laws of both parties. In the case of Uruguay, crimes listed in the treaty of 1905, and committed prior to the entry into force of the present treaty, will continue to be subject to extradition pursuant to that treaty. With that exception, this article terminates the former treaty.

DATE OF ENTRY INTO FORCE

The Extradition Treaties with Italy, Paraguay and Uruguay will enter into force on the day instruments of ratification are obtained. Each treaty may be terminated by either party by giving six months' notice.

COMMITTEE ACTION

The Committee on Foreign Relations received testimony on the Extradition Treaties with Italy, Paraguay and Uruguay on September 25, 1973. At that time, Mr. Knute E. Malmborg, Assistant Legal Adviser for Management and Consular Affairs, Department of State, testified in support of the treaties.

During an executive session held later the same day, the Committee ordered the treaties favorably reported with the recommendation that the Senate give its advice and consent to ratification.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

There being no objection, the Senate resumed the consideration of legislative business.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1974

The Senate continued with the consideration of the bill (H.R. 9286) 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.

Mr. ROBERT C. BYRD. Mr. President, I yield 5 minutes to the Senator from Wisconsin.

Mr. PROXMIRE. I thank the distinguished majority whip.

Mr. President, the Humphrey amendment that we are going to vote on Monday is of the greatest importance not only from the standpoint of the procurement bill but also from the standpoint of our economy, our inflation problems, and also the effect which the vote is going to have, which I think a number of Senators and the press do not realize, on other programs.

Mr. President, the Senate has to come to grips with the question of how we are going to stay within the $268 billion budget on overall spending which this House passed. The bill before us, unless reduced, is going to put us in a very painful position. As it stands, it is $500 million higher than the committee approved. Far from economizing, we have splurged and it will make it difficult, perhaps impossible, to live within our budget ceiling.

There are now several forces that are going to force this Congress to economize or forget the budget ceiling. First is the galloping increase in spending for interest on the public debt. It will be at least $4 billion higher this year than planned for in the President's budget in January, at the time he first submitted it. In fact, it could go as high as $7 billion more unless inflation is held in check.

Second is the social security program. The Senate has approved an increase in social security benefits that will cost about $2 billion more. And there is also the impact of inflation on the cost of living factors built into social security payments.

Now, Mr. President, Congress has no control over the increase for interest on the public debt. Neither does it control the effect of the inflation factor built into the social security program.

But where is the money going to come from?

In the President's budget there are $202 billion in uncontrollable outlays about which we cannot do anything in this session, in the remaining time we have before we make a determination of the 1974 budget—and only $75 billion in controllable outlays. We really have very little to say about most spending.

Of the $75 billion in controllable outlays, about 70 percent is taken up by the military, or $52 billion. Civilian programs only account for 30 percent, or $23 billion of that total.

Clearly this $4 to $7 billion increase for servicing the national debt plus the anticipated $2 billion for social security must come out of the controllable $75 billion. But it cannot all be taken out of domestic programs without causing a disruption so severe that it would be totally unacceptable to the American public.

If Senators disagree, I ask them to consider that in voting against the Humphrey amendment, which would cut $750 million in the procurement bill—it provides a ceiling $750 million below the ceiling—and for full-speed ahead in military spending, they are either voting to destroy the ceiling for which we overwhelmingly voted earlier in the session, or they are voting for a 25-percent to 40-percent cut in such programs as child nutrition, forest protection, health services, grants to elementary and secondary education, manpower programs, and airport safety. These are the programs, some of them already sharply reduced, which must be gutted if the military spending program is not reduced.

Senators may not like it, but a vote against the Humphrey amendment is a vote that is virtually certain to destroy some of the same programs which many of the same Senators have fought hard to provide, and that go right to the heart of building a strong as well as a compassionate country.

Mr. President, some of this increase must come out of the military budget.

It is time that we stop putting money into the military budget, as has happened here in recent days, and vote to hold inflation in check.

If we believe in that spending ceiling, as requested by the President, and as passed overwhelmingly by the Senate, then both military and civilian programs will have to be pruned.

A vote to reduce the military budget will be a vote to hold down inflation, food prices, and rents. It will make a stronger country.

I think all of us must realize what the polls are telling us day after day. It is not Watergate that is the number one issue; it is inflation. Some 80 percent of the people say inflation is their number one concern. That is why we have to make cuts everywhere. We have to make cuts in the domestic programs and in the military budget, but, whether we like it or not, the last chance we will have to vote on the military budget will be when we vote on the Humphrey amendment.

As one who has voted consistently to hold down spending in domestic programs, but who recognizes that we should not completely gut them, I ask Senators, where do we get the money if we do not make cuts of the kind embodied in the Humphrey amendment?

I thank the distinguished majority whip, and I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, does the Senator want additional time?

Mr. PROXMIRE. No; I have completed my statement.

Mr. THURMOND. Mr. President, I yield 5 minutes to the Senator from Florida (Mr. CHILES).

Mr. CHILES. Mr. President, I want to speak against the Humphrey amendment, and actually against the Byrd amendment to the Humphrey amendment, that will be coming up on Monday, too. Both of these propositions deal with the principle that we are going to make an across-the-board cut, a percentage cut. I feel like this is something any legislature ought to resist, because what it does when we make any percentage or across-the-board cut is surrender our legislative authority.

I have voted against many items in the defense budgets, many that would have made cuts more than what we are talking about, $500 or $750 million in spending. But I think if we are going to be a legislature and if we are going to follow our constitutional requirements and duties, then we should be the budget-setting authority and we should determine which items are going to pass and which items are going to fail.

I think it is bad when we have to take a process whereby we are just going to cut something across the board and surrender our legislative authority to the executive branch.

What is the reward to be reaped when we do that? The reward is that we give up completely any choice we might have, what kind of weapons system or what kind of appropriation there should be, and surrender it completely to the Department of Defense and surrender it completely to the executive branch. If they want to, they can shrink any programs, because either they have given us proper figures to carry out a mission or they have not. We ought to determine what mission is necessary and what is not necessary.

I hate to see us in this body say we cannot determine what should be the roles and we cannot determine what we should fund and what we should not fund, and say, "We are going to surrender that authority. We are going to cut across the board. We are going to close our eyes. Do not ask us to pick. Do not ask us what it is. Do not make any requirement. We are going to close our eyes and let you determine it."

If we are going to do that, why do we not do it in this appropriation? How long will it be before one day we just come to say what the bottom line is going to be?

If we have a budget ceiling, and let us say it is to spend $268 billion, should we say to the executive branch, "You figure out where it should be spent, and we will not determine how much will go to operate the Defense Department or how much we want to see go for education or how much we want to see go for health. We will just surrender that to you."

That is one step we will take when we start making across-the-board cuts for defense.

I, for one, do not want to see us say, "I cannot look at the budget and vote for what I think are the priorities." The day we do that, that is the day we do not need Congress any more. That is the day we have surrendered our authority to the Executive. That is the day we have surrendered to what the Executive has been saying for years now: that the legislative does not have sense to determine where the money should be spent that we have to have. And we are telling them even what taxes should be raised. They do not have the staff. They do not have the capabilities. And they do not have the intelligence to determine what programs and priorities the country should have.

Mr. President, we see that when the Executive impounds the money we have appropriated. I think we will have proved that the Executive perhaps has the right to impound it and the duty to impound those funds when we surrender and give them the responsibility of determining where it should be appropriated by saying that there will be an across-the-board cut.

Mr. President, what happens if we overappropriate? This is an authorization bill and not an appropriations bill. We are dealing with an authorization and not the appropriation of money. However, if we overappropriate, then I think that we have to sit down and determine if we have violated the ceiling that we set for ourselves.

Mr. President, I hope again that we do not say that we will cut 2 percent or that we will cut 4 percent across the board on everything. I do not want to see some Member of the Senate offer an across-the-board amendment on domestic programs. I do not think that should be done on these programs.

I think that if we are going to follow the role the Constitution gives us, we are going to determine where the money will be spent. If we do not have the gumption to do that, we do not have the right to be here. And the people ought to get a new bunch.

I think they will do just that if they see that all we are interested in is the bottom line figure. I think that if we do not have the gumption to say where the money will be spent, the people will see to it that they get another bunch up here.

Mr. President, I hope that we reject both amendments.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. THURMOND. Mr. President, I yield myself such time as I may require.

Mr. President, the Humphrey amendment would reduce the authorization allowed under this bill by $750 million, and the Byrd amendment would reduce it by $500 million.

The bill reported out by the Senate Armed Services Committee totaled $20.4 billion, a net reduction of $1.5 billion. Added to the $1.5 billion cut by the committee we must recognize that the manpower reduction of 156,000 imposed by the committee will eventually result in an additional $1.5 billion annual savings. Therefore, we have an eventual reduction of $3 billion in this bill already, a total of about 15 percent from the request of nearly $22 billion—$21.9—by the administration.

Now, Mr. President, a ceiling cut is an easy thing to vote for because one does not have to address directly the consequences of that vote.

Our Senate Armed Services Committee and the Senate have worked hard to get this bill to the point it is today, a total of about $20.9 billion in authorizations. Every dollar in this bill is designated for some program.

Now the authors of these amendments are asking us to throw out $750 million and $500 million of these dollars, but they will not tell us from which programs they should be withdrawn.

Should we take them out of the F–14 program which the Senate approved by a vote of 66 to 26? If we do so, there will be a lot of unemployed people in New York and California as well as other States.

Should we take them out of the SAM–D program which the Senate approved 56 to 34 after nearly 5 hours of debate last night? I doubt the Senators from Massachusetts and New Hampshire would approve that decision. Massachusetts already is faced with thousands of unemployed because of the closing of shipyards in that State.

What about Trident? Are we to reverse the Trident vote by slashing $750 million or $500 million from this bill and cutting the Trident program back to the point favored by some but disapproved by the Senate as a whole?

What about the A–10, the Air Force close-air-support plane. We can account for 20 percent of this proposed cut, just 20 percent, by eliminating the A–10 program altogether. However, I doubt the Senators who voted to continue that program on the floor would think much of this idea.

Mr. President, this is an irresponsible approach to defense spending. Our committee has worked hard for 6 months; we have heard tens of thousands of words of testimony; we have published eight volumes of hearings like the one I hold in my hand; we have consumed hundreds of hours of time in trying to make wise decisions on this bill. Now it is proposed to wipe out these decisions at one stroke, in the 15 minutes it will take to call the roll. It just does not make sense.

Why do not the proponents of this amendment make specific proposals as to where they want to save $500 million?

Do they want it to come from the new tank program, from the new assault helicopter program? Where is it to come from? We would consider those proposals on their merits. No, they know they would be beat if they had to say where these cuts would come. Rather they would cloud issues with an across-the-board cut with which they think the Senators would be comfortable, because in this manner they can avoid the realities of their actions.

Senator STENNIS, our distinguished chairman, has always opposed these across-the-board slashes. He has argued many times here on the floor against them. He knows they make a mockery of the committee work. Earlier this week, the distinguished chairman of the Appropriations Committee (Mr. MCCLELLAN) argued eloquently along the same lines. They know about the labors of their committees. They sit there hour by hour, day by day, week by week, month by month, working to make sure every dollar goes to the right program.

If we were to follow the procedure advocated here, all of that would go out of the window. All of this study and work and the details and one program after the other will be thrown out of the window.

Then we come to the floor and debate this bill for over a week, long hours each day, deciding on this issue and that issue. This amendment wipes out all that work. It cancels all these decisions. It does

not answer the questions the Senate should answer.

I wonder how the Senator decided on this particular level of spending. Does he propose to take this reduction out of procurement? Will it come out of research and development? We have a responsibility to say how this money should be spent. Let us be specific. What are we doing here in the Senate? Why do we not all go home and just send a note to the Secretary of Defense every year and say, "You have a ceiling of x number of dollars and spend it how you like." As the distinguished Senator from Florida asked, What kind of government is that? What responsibility is there on the part of the Senate in acting in such a manner?

Would the author of the amendment, for whom I have affection and respect, kindly tell me how he arrived at this particular level of reduction? What is magic about $500 million? Why not $1 billion, or one-quarter billion? Where do you propose these reductions be made? Who came forward with the idea that this is the level to which everything should be reduced? Can anyone really justify this particular reduction which would affect so greatly our national security?

Is it proposed to undo the $495 million for the F–14? Is it proposed to cut the aircraft carrier we just approved by a rollcall vote? This amendment is not specific, and does not tell us just where these cuts can be made.

Also, Mr. President, why do the Senators feel that we should go indirectly and have a ceiling limitation and take action that we have failed to take directly by rollcall votes? Why is this particular approach chosen? What is the logic of this amendment?

Mr. President, if this ceiling amendment passes, I question very seriously if we can have a viable conference and truly work the will of the House and Senate on this bill. There would be no real difference moneywise, between the House and Senate bills. If this amendment passes it will be difficult to write a conference bill which speaks to the will of the two great bodies of the Congress.

We may have to make decisions in conference which would decide major issues not considered by the Senate or House bodies because of this across-the-board approach to defense spending. I hope the Senate will not force that upon us.

I hope the Senate will give more serious consideration to this matter and will not take a meat-ax approach that would destroy the work of the committees.

I do not see how the chairmen in this body could afford such a procedure. I do not know how the chairmen—and they are all Democratic chairmen, on the other side of the aisle, of course—or even a single one of the chairmen could support this approach.

I do not see how a member of the committee, if he really is interested in the work of his committee and respects the procedure of committees, could support this amendment. Why, Senators go there and hold hearings day after day, whether it is on health, whether it is on defense, or whether it is on some other subject, and spend so much time; if the Senate is going to undo all of that with one rollcall, how frustrating it can be, how inappropriate it can be, and how unwise it can be.

Mr. President, I sincerely hope that the Senate will not accept this amendment. I not only think it is dangerous for this bill and dangerous to national defense, but I think it is a dangerous precedent to set here. I think we may, if we adopt this amendment, set a precedent that will haunt the Senate for years to come, because if we ever do it in one instance, it will be much easier to do it again.

Again I say, I hope the Senate will reject this unwise and impractical amendment.

The PRESIDING OFFICER. Who yields time?

AMENDMENT NO. 558

Mr. ROBERT C. BYRD. Mr. President, I call up my amendment at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD) proposes an amendment (No. 558) to the amendment (No. 557) of the Senator from Minnesota (Mr. HUMPHREY), as follows:

On page 1, line 3, strike "$20,197,700,000" and insert in lieu thereof "$20,447,700,000".

Mr. ROBERT C. BYRD. Mr. President, the amendment speaks for itself. It provides for a $500 million reduction in the overall authorization, whereas the amendment by Mr. HUMPHREY would provide for a $750 million reduction.

Since the bill came to the Senate, we have added something like $499,700,000 to the bill. My amendment would reduce the overall amount by almost the same amount that the Senate has increased the authorization since the bill first was called up and subjected to debate and amendment, so that the $1.5 billion reduction which the Armed Services Committee made in the bill then would be restored.

My reduction would not go to any line item; it would merely be an overall reduction of $500 million.

I think my amendment a fair compromise of conflicting viewpoints. Senator HUMPHREY is asking for a reduction of $750 million. There are those on one side, philosophically, who would like to see a larger reduction in the authorization. There are others who want to see no reduction at all in the authorization.

So, as we come to the close of action on the bill the time has come for the Senate to conclude, on Monday, whether there is to be an overall reduction. Some Senators would like to see a deeper reduction, as I say, and others no reduction at all. My amendment would simply reduce the overall reduction by an amount almost equal to the amounts added to the bill during the course of the debate here on the floor. Thus the committee would go to conference with about the same overall authorization, dollar-wise, as was reported to the floor—which represented a $1.5 billion reduction at that time.

Mr. President, that is all I have to say on my amendment today.

SALE OF AMERICAN WHEAT TO THE SOVIET UNION

Mr. HUDDLESTON. Mr. President, a few days ago the junior Senator from Kentucky, responding to news reports in a Rome newspaper and numerous rumors within this country, requested that the Secretary of Agriculture investigate the possibility that the Soviet Union was selling quantities of wheat to other countries.

Such sales of wheat by the Soviet Union could only be possible because of last year's large purchases of American grain by the Russians, under favorable credit terms and subsidies financed by the American taxpayer.

We raised questions about the original sale and the current Soviet grain situation and sought answers because we believe that if a foreign country is able to reap profits and diplomatic benefits at the expense of the U.S. taxpayer as a result of administration policies, steps should be taken to prevent a recurrence.

The response to the Senator from Kentucky's inquiry was indeed surprising. Instead of addressing themselves to the issues involved, both the Secretary of Agriculture and an Assistant Secretary retorted with a castigation of the Senator from Kentucky for raising questions.

The Secretary was quoted in the press as saying it was an "irresponsible question raised by a headline-starved Senator pushed off the front pages by Watergate." His assistant leveled similar charges, just as intemperate and just as inaccurate.

Mr. President, the Associated Press has reported that the Soviet Union has just completed a loan of 2 million tons of wheat to India. The news release quoted Soviet Communist leader Leonid I. Brezhnev as saying the sale was made because of Moscow's "aspirations to develop friendly Soviet-India relations."

Mrs. Gandhi was quoted as accepting and conveying India's warm appreciation for this friendly gesture.

A few weeks ago it was announced that the Soviets had provided a substantial quantity of wheat to Bangladesh to assist that nation in meeting its critical shortage.

Also, Pakistan has indicated that it is in dire need of additional grain, and has suggested that if the United States could not supply that need it would have to turn to the Soviet Union for assistance.

Mr. President, the point is that whether these transfers of wheat from the Soviet Union to other countries are gifts, loans, or sales, they were, at least in part, made possible by Russia's unprecedented purchase of American wheat. And the benefit to the Soviet Union and detriment to the United States is tremendous.

Aside from any financial gains the

Russians may be making, they are without doubt assuming the role of Good Samaritan of the world, a role traditionally held by the United States. Countries are now turning to Russia for help, and the Soviets are able to enhance their relationship with those countries by making grains available to them while our bins are empty, in large part by the infamous deal.

Mr. President, as to the question of the responsibility of a Senator in raising the question of Russia's improving its position with America's wheat, the American housewife who is paying record prices to feed her family knows who was irresponsible.

And the American farmer who was kept in the dark about the Russian purchase and sold his wheat too low knows who was irresponsible.

And the developing nations which traditionally turn to the United States for help, but now find themselves seeking help from the Soviet Union, know who is irresponsible.

Mr. President, I again call for an examination of the disposition of the American wheat purchased by the Russians and of the benefits that may be accruing to the U.S.S.R. because of it, and, if it is found that the transactions have not been in the best interests of the United States, then adequate steps should be taken to prevent a similar trade arrangement in the future.

ORDER FOR RECOGNITION OF SENATORS KENNEDY, JAVITS, CHURCH, MONDALE, MUSKIE, AND HART ON TUESDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, after the two leaders or their designees have been recognized under the standing order, the following Senators be recognized, each for not to exceed 15 minutes and in the order stated: Mr. KENNEDY, Mr. JAVITS, Mr. CHURCH, Mr. MONDALE, Mr. MUSKIE, and Mr. HART.

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

ORDER VACATING ORDER FOR SATURDAY SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order providing for the convening of the Senate tomorrow be vacated.

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

ORDER FOR ADJOURNMENT UNTIL 11 A.M. ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order providing for the Senate to convene at 10 a.m. on Monday be vacated, and that when the Senate completes its business today it stand in adjournment until 11 o'clock a.m. on Monday next.

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

ORDER FOR RECOGNITION OF SENATORS HATFIELD, McGOVERN, ROBERT C. BYRD, AND PROXMIRE ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday next, after the two leaders or their designees have been recognized under the standing order, the following Senators be recognized, each for not to exceed 15 minutes and in the order stated: Mr. HATFIELD, Mr. McGOVERN, Mr. ROBERT C. BYRD, and Mr. PROXMIRE.

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

ORDER FOR RECOGNITION OF SENATOR MANSFIELD ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the recognition of Mr. McGovern on Monday, the distinguished majority leader, the Senator from Montana (Mr. MANSFIELD), be recognized for not to exceed 15 minutes, prior to the recognition of the junior Senator from West Virginia.

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

ORDER FOR CONSIDERATION OF THE FOREIGN ASSISTANCE BILL FOLLOWING THE TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the recognition of Senators under special orders on Monday, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes, at the conclusion of which the Senate proceed to the consideration of the foreign assistance bill, S. 2335.

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 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 Senate will convene at 11 a.m. on Monday next, after which the following Senators will be recognized, each for not to exceed 15 minutes and in the order stated: Senators HATFIELD, McGOVERN, MANSFIELD, ROBERT C. BYRD, and PROXMIRE.

Then, 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 which the Senate will proceed to the consideration of S. 2335, the foreign assistance bill, under a time limitation of 3 hours with 1 hour on any amendment in the first degree.

At 2:30 p.m., a rollcall vote will occur on the six treaties to which the distinguished majority leader alluded earlier, and that one rollcall vote will count as six rollcall votes, thus saving 75 minutes of the Senate's time.

The Senate will then resume consideration of S. 2335, the foreign assistance bill. Amendments will be in order. Yea-and-nay votes could occur thereon.

At 3:30 p.m., the foreign assistance bill will be laid aside under the previous agreement and the Senate will resume consideration of the military procurement bill, on which one-half hour to be divided equally will run concurrently on the Humphrey amendment and the Byrd perfecting amendment thereto, the rollcall vote to occur at 4 p.m. on the Byrd of West Virginia perfecting amendment, making an overall cut of $500 million in the military procurement authorization bill.

Immediately after disposition of the Byrd of West Virginia amendment to the amendment, at 4:15 p.m., there will be a rollcall vote on the amendment by the Senator from Minnesota (Mr. HUMPHREY) making an overall cut of $750 million, or, in the alternative, as amended by the Byrd of West Virginia amendment, making an overall cut of $500 million.

At 4:30 p.m. a vote will occur on final passage of the military procurement bill, and that will be a yea-and-nay vote.

Following that, the Senate will resume the consideration of S. 2335, the foreign assistance bill, with yea-and-nay votes occurring on amendments thereto, and possibly on final passage of the bill that evening.

The foregoing enumeration of events does not preclude the calling up of conference reports or other business which has been cleared for action.

In summation, on Monday there will be at least nine rollcall votes the first of which will occur at 2:30 p.m.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. HUDDLESTON). Without objection, it is so ordered.

ADJOURNMENT TO MONDAY, OCTOBER 1, 1973

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come

before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 a.m. on Monday next.

The motion was agreed to; and, at 6:13 p.m., the Senate adjourned until Monday, October 1, 1973, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate September 28, 1973:

IN THE AIR FORCE

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be lieutenant general

Lt. Gen. Alvan C. Gillem, II, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

DEPARTMENT OF DEFENSE

Herman R. Staudt, of Florida, to be Under Secretary of the Army, vice Kenneth E. BeLieu, resigned.

Frank A. Shrontz, of Washington, to be an Assistant Secretary of the Air Force, vice Philip N. Whittaker, resigned.

IN THE COAST GUARD

The following-named officers of the U.S. Coast Guard for promotion to the grade of captain:

Peter A. Morrill	Arthur W. Gove
Clarence R. Gillett	William E. Smith
Gerald O. Lesperance	Rudolph V. Cassani
Rudolph E. Anderson	Thomas H. Rutledge
William L. King	Ernest L. Murdock
Donald D. Garnett	Paul E. Schroeder
V. Wendell Driggers	James C. Morrow
Richard P. Cueroni	Richard G. Kerr
William J. Russell	James F. Culbertson
Edmund L. Cope	John M. Wilkinson
Walter E. Paulsen	William J. Tillo
Theodore J. Wojnar	Gerald J. Budridge
Donald W. Smith	Charles L. Clark
George K. Greiner, Jr.	Alfred F. Bridgman, Jr.
James H. Conrad	George T. Seaman
Edward Nelson, Jr.	John R. Kirkland
William B. Clark	Carlton W. Swickley
Nathaniel C. Spadafora	Clyde E. Robbins
Jack A. Howell	James L. Fear
William E. Heath	Alban Landry
Arthur Solvang	Daniel B. Carter, Jr.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 28, 1973:

NATIONAL ENDOWMENT FOR THE ARTS

Nancy Hanks, of New York, to be Chairman of the National Endowment for the Arts for a term of 4 years.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE AIR FORCE

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be lieutenant general

Lt. Gen. Glen W. Martin [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed in the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be lieutenant general

Lt. Gen. Robert N. Smith, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Joseph R. DeLuca, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Lew Allen, Jr., [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Sanford K. Moats, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Warren D. Johnson, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. John B. Hudson, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. George H. McKee, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be lieutenant general

Lt. Gen. Austin J. Russell, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be lieutenant general

Lt. Gen. Jammie M. Philpott, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be general

Gen. Seth J. McKee, [redacted] FR (major general, Regular Air Force) U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be general

Gen. William W. Momyer, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer, under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. Robert J. Dixon, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. John R. Murphy, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. Richard H. Ellis, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be general

Gen. Horace M. Wade, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. John W. Roberts, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. Timothy F. O'Keefe, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Carroll H. Dunn [redacted], Army of the United States (major general, U.S. Army).

The following-named officer for appointment in the Regular Army of the United States, to the grade indicated, under the provisions of title 10, United States Code, sections 3036, 3284, and 3307:

To be major general, Medical Corps

Maj. Gen. Richard Ray Taylor, [redacted] Army of the United States (brigadier general, Medical Corps, U.S. Army).

IN THE NAVY

Rear Adm. Joseph P. Moorer, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving and for appointment as senior Navy member of the Military Staff Committee of the United Nations pursuant to title 10, United States Code, section 711.

Vice Adm. Harry L. Harty, Jr., U.S. Navy, for appointment to the grade of vice admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

IN THE AIR FORCE

Air Force nominations beginning Robert K. Ace, to be colonel, and ending William B. Price, Jr., to be colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on September 5, 1973.

Air Force nominations beginning Thomas J. Abelin, to be lieutenant colonel, and ending Wayne F. Kendall, Jr., to be first lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on September 5, 1973.

The following-named officer for promotion in the Air Force Reserve, under the appropriate provisions of chapter 837, title 10, United States Code, as amended, and Public Law 92–129.

LINE OF THE AIR FORCE

Major to lieutenant colonel

Hess, Jay C., [redacted].

Air force nominations beginning Howard S. Regent, to be captain, and ending Raymond C. Zindell, Jr., to be first lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on September 5, 1973.

Air Force nominations beginning Charles D. Ablard, to be colonel, and ending Orlan V. W. Masters, to be colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on September 12, 1973.

IN THE ARMY

Army nominations beginning Thomas J. Kinane, to be captain, and ending Joachim Hagopian, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on September 5, 1973.

IN THE MARINE CORPS

Marine Corps nominations beginning Carl L. Burney, Jr., to be second lieutenant, and ending Walter W. Weigle, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on September 5, 1973.

EXTENSIONS OF REMARKS

SENATOR WILLIAM L. SCOTT ADDRESSES VIRGINIA MOTOR VEHICLE CONFERENCE

HON. JESSE A. HELMS

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Friday, September 28, 1973

Mr. HELMS. Mr. President, on September 25, our distinguished colleague, the junior Senator from Virginia (Mr. WILLIAM L. SCOTT) delivered an excellent address in Richmond before the Virginia Motor Vehicles Conference.

I found BILL SCOTT's remarks exceedingly perceptive on a number of issues, and I commend his speech to the attention of my colleagues.

I ask unanimous consent that the text of his fine address be printed in the Extensions of Remarks.

There being no objection, the text of Senator WILLIAM L. SCOTT's speech was ordered to be printed in the Extensions of Remarks, as follows:

ADDRESS BY SENATOR WILLIAM L. SCOTT

It is good to be with you this evening as you observe "National Highway Week." The President recognizes the vital part highways play in America's overall transportation system in his "Highway Week Proclamation." I notice the paragraph commencing with the words, "We must work." Now, of course, he continues, we must work "to enhance the efficiency of all transportation" but in looking over the list of organizations comprising your membership, it is evident that you have an organization of constructive workers. When it appears today that the work ethic is being weakened by the welfare concept and by lack of initiative, I am very glad to be with a group who make constructive contributions to our society.

As you attempt, through your various businesses, professions, and trade organizations to increase the quality of your products and services or to enhance the prestige of your associations, I'm sure you are also building a better society. The free enterprise system that is the backbone of our American standard of living is constantly under attack and will continue to be from collectivist groups and shallow thinking individuals, so I would urge that you waste no opportunity to speak up for our free enterprise system that helps make America the envy of the world.

It is an understatment to say that we have unsettled political conditions in Washington. Some seem dedicated to a policy of harassing and criticizing every constructive effort. You will recall in his speech to the Nation some weeks ago, the President remarked, "If it weren't Watergate, anything else, in order to keep the President from doing his job." We might ask, Who's leading this effort? To a large extent it is the people, the organizations, and liberal media whose views were decisively defeated at the polls last fall. The American people overwhelmingly chose President Nixon and Vice President Agnew to lead the Nation but their ability to lead is threatened by repetition of innuendo, hearsay, and half truths. No charges have yet been placed against the Vice President, but, this group has judged, tried and convicted him and even if he is completely innocent, his political future has been severely damaged. It was quite natural, therefore, for Mr. Agnew to ask the House of Representatives today to undertake a full inquiry into the charges apparently made against him in the course of an investigation by the United States Attorney for the District of Maryland. The Vice President states he made this request for the dual purpose of preserving the Constitutional stature of his office and to accomplish his personal vindication. Now, of course, it would be improper for me to comment at this time on the guilt or innocence of the Vice President because if the House of Representatives should find the basis for impeachment, I together with the other ninety-nine Senators would hear the case presented by the House to determine whether he should be removed from office. By the same token, the fact that the Attorney General is permitting the case to go to the grand jury in Maryland is no indication that he believes Mr. Agnew is guilty of any wrongdoing. Attorney General Richardson is both the chief law officer for the federal government and a Republican member of the President's Cabinet. He may prefer to have the issue of probable cause determined by the grand jury in order to remove all doubt of a political decision being made. While I have not had time for mature reflection on the procedures being followed, the action of both Vice President Agnew and Attorney General Richardson appear to be reasonable. A person holding high office, however, should not have less opportunity to achieve an impartial trial than the average citizen can achieve by a simple change of venue. We pride ourselves in having a government under which no man is above the law and no man is below the law and every man is entitled to his day in court and a fair and impartial trial by a jury of his peers.

We have many serious matters confronting the country, the Military Procurement Bill, now before the Senate; the energy crisis; inflation and other economic problems; our relationship with foreign countries; these require thoughtful and searching consideration by our Executive and Legislative Branches. Only a masochist would want to continue the present widespread self-criticism within our Nation to the detriment of its institutions, its standards of living and general well-being. You are the type of people, working as you do in a constructive way, to better our society, who should also speak out regarding the good in America and cali for a return of trials in our courts, of a presumption of innocence, of the right to confront one's accusers and the end to attacks on the rights of individuals who happen to hold high office. This could expand, and possibly already has, until all public officials are suspect and subject to the strange new notion of public punishment at the whim of irresponsible individuals and groups. No one can properly conduct the affairs of government under such circumstances.

As you know, the Senate recently confirmed the President's nominee, Russell E. Train, to be Administrator of the Environmental Protection Agency. He appears to be a well educated, cultured, and devoted public servant. While I expressed some reservations during the hearings before our Public Works Committee and also on the floor of the Senate regarding the possibility of Mr. Train putting undue emphasis on cleaning up the environment to the detriment of our standard of living, Mr. Train assured the Committee that proper consideration would always be given to the affect of any regulation by his agency upon the economy and upon our standard of living. Yet, The Clean Air Act of 1970 may have gone too far and many members of Congress are taking another look at it. My staff is getting together a series of amendments to extend the time for maximum reduction of carbon monoxide and hydrocarbons for automobile emissions from