

A. R. Keith Stroup, 2105 N Street NW, Washington, D.C. 20037.

B. National Organization for the Reform of Marijuana Laws, 1237 22d Street NW, Washington, D.C. 20037.

D. (6) \$450.

A. Sutherland, Asbill & Brennan, 1666 K Street NW, Washington, D.C. 20006.

B. Retail Credit Co., P.O. Box 4081, Atlanta, Ga. 30302.

E. (9) \$35.

A. Gerald Toppen, 400 First Street NW, Washington, D.C.

B. Brotherhood of Railway, Airline and Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

E. (9) \$140.

A. J. P. Trainor, 400 First Street NW, Washington, D.C. 20001.

B. Brotherhood of Railway, Airline and Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

D. (6) \$3,500. E. (9) \$1,441.63.

A. W. M. Trevarrow, 601 National Press Building, Washington, D.C. 20004.

B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.

D. (6) \$3,750. E. (9) \$137.50.

A. Trustees for Conservation, 251 Kearny Street, San Francisco, Calif. 94108.

E. (9) \$128.89.

A. Joseph D. Tydings, 1120 Connecticut Avenue NW, Washington, D.C. 20036.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW, Washington, D.C. 20006.

D. (6) \$261.36.

A. United Fresh Fruit and Vegetable Association, 777 14th Street NW, Washington, D.C. 20005.

D. (6) \$2,200.17. E. (9) \$2,200.17.

A. Veterans of World War I, USA, Inc., 916 Prince Street, Alexandria, Va. 22314.

E. (9) \$1,066.65.

A. Walter D. Vinyard, Jr., 1025 Connecticut Avenue NW, Suite 515, Blake Building, Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW, Suite 515, Blake Building, Washington, D.C. 20036.

D. (6) \$1,500. E. (9) \$250.

A. Wald, Harkrader & Ross, 1320 19th Street NW, Washington, D.C. 20036.

B. Ina Corp., 1600 Arch Street, Philadelphia, Pa. 19101.

A. DeMelt E. Walker, 1730 Rhode Island Avenue NW, Washington, D.C.

EXTENSIONS OF REMARKS

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison Wis.

D. (6) \$775.90. E. (9) \$40.20.

A. James A. Warren, 5500 Friendship Boulevard, Chevy Chase, Md. 20015.

B. REA Express, Inc., 219 East 42d Street, New York, N.Y. 10017.

D. (6) \$450. E. (9) \$75.

A. George A. Watson, Suite 800, 1612 K Street NW, Washington, D.C. 20006.

B. The Ferroalloys Association, Suite 800, 1612 K Street NW, Washington, D.C. 20006.

E. (9) \$1,562.61.

A. Judy Waxman, 19036 Canadian Court, Gaithersburg, Md.

B. Women's Lobby, Inc., 1345 G Street SE, Washington, D.C. 20003.

E. (9) \$30.

A. Fred Wegner, 1750 K Street NW, Suite 1190, Washington, D.C. 20006.

B. Retired Persons Services, Inc., 1750 K Street NW, Suite 1190, Washington, D.C. 20006.

E. (9) \$10.50.

A. Janet H. Wegner, 1225 Connecticut Avenue NW, Washington, D.C. 20036.

B. American Association of Retired Persons/National Retired Teachers Association, 1225 Connecticut Avenue NW, Washington, D.C. 20036.

A. Bernard J. Welch, 1800 K Street NW, Washington, D.C. 20006.

B. Pan American World Airways, Inc., 1800 K Street NW, Washington, D.C. 20006.

E. (9) \$124.16.

A. Whaley, McCutchen, Blanton & Dent, 1414 Lady Street, Columbia, S.C. 29211.

B. Motion Picture Association of America, Inc., 1600 I Street NW, Washington, D.C.

D. (6) \$5,000. E. (9) \$5,000.

A. Robert Y. Wheeler, Box 185, Tilden, Tex. 78072.

B. Ernest G. Herman, 9538 Brighton Way, Beverly Hills, Calif.

A. Thomas E. Wheeler, 1425 K Street NW, Suite 900, Washington, D.C. 20005.

B. Grocery Manufacturers of America, Inc., 1425 K Street NW, Suite 900, Washington, D.C. 20005.

E. (9) \$24.

A. Robert E. Wick, 1800 K Street NW, Washington, D.C.

B. Pan American World Airways, 1800 K Street NW, Washington, D.C.

E. (9) \$94.20.

A. Harry D. Williams, 1660 L Street NW, Suite 204-205, Washington, D.C. 20036.

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B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.

D. (6) \$250.

A. Robert E. Williams, 1825 K Street NW, Washington, D.C. 20006.

B. United Air Lines, P.O. Box 66100, Chicago, Ill. 60666.

D. (6) \$1,250. E. (9) \$725.90.

A. Williams & King, 1620 I Street, NW, Washington, D.C. 20009.

B. National Nutritional Foods Association, 7624 South Painter Avenue, Whittier, Calif. 90602.

D. (6) \$2,500. E. (9) \$329.

A. Frederick L. Williford, 10010 Green Forest Drive, Adelphia, Md.

B. National Federation of Independent Business, 921 Washington Building, 15th and New York Avenue, NW, Washington, D.C. 20005.

E. (9) \$2,688.61.

A. Wilmer, Cutler & Pickering, 900 17th St., NW, Washington, D.C. 20006.

B. Dealer Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.

A. Wilmer, Cutler & Pickering, 900 17th Street NW, Washington, D.C. 20006.

B. J. C. Penny Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

D. (6) \$578.50. E. (9) \$30.25.

A. Earl Wilson, 400 First Street NW, Washington, D.C.

B. Brotherhood of Railway, Airline, and Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

E. (9) \$140.

A. Women's Lobby, Inc., 1345 G Street SE, Washington, D.C. 20003.

D. (6) \$2,897. (9) \$2,062.85.

A. Burton C. Wood, 1625 L Street NW, Washington, D.C. 20036.

B. National Association of Home Builders of the United States, 1625 L Street NW, Washington, D.C. 20036.

D. (6) \$5,343.75. E. (9) \$547.88.

A. Jack Yelverton, 1303 New Hampshire Avenue NW, Washington, D.C. 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW, Washington, D.C. 20036.

D. (6) \$5,343.75. E. (9) \$547.88.

A. Robert C. Zimmer, 1775 K Street NW, Suite 220, Washington, D.C. 20006.

B. Massachusetts Consumer Bankers Group.

E. (9) \$468.17.

A. John L. Zorack, 1709 New York Avenue NW, Washington, D.C. 20006.

B. Air Transport Association.

D. (6) \$1,415. E. (9) \$372.52.

EXTENSIONS OF REMARKS

CONNECTICUT REALTOR OF THE YEAR

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES
Monday, November 12, 1973

Mr. SARASIN. Mr. Speaker, this week the largest professional organization in the Nation, the National Association of Realtors, is holding its annual conven-

tion in the Nation's Capital. I am happy to note that among those in attendance are a number of realtors from Connecticut and my own Fifth District.

I would particularly like to call to my colleagues' attention the participation of Mr. Emil J. Morey of Danbury, Conn., a constituent of mine who has the distinction of being "Connecticut Realtor of the Year," the highest statewide honor conferred by this organization.

Mr. Morey was nominated for this

honor by the Danbury Board of Realtors, which had already chosen him as their realtor of the year. The requirements for this award are established by the National Association of Realtors and include realtor spirit, civic activity, business accomplishments, local board activity, and support of State and national association activity.

In presentation of the State award to Mr. Morey, the judging committee pointed out his many accomplishments

and service to his community. Among these were his successful leadership of the fight to defeat increased State conveyance taxes and his support for efforts to upgrade the qualifications for real estate salesmen and brokers licensed in Connecticut.

Mr. Morey is a past president of the Danbury Board of Realtors, a director of the multiple listing service, a member of the professional standards committee, chairman of the realtors legislative committee, and regional vice president of the Connecticut Association of Realtors.

He is truly a credit to his profession and richly deserves these honors, which I commend to your attention.

NATION'S DOCTORS MOVE TO POLICE MEDICAL CARE

HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. McFALL. Mr. Speaker, inasmuch as the Federal Government has embarked upon an experimental program providing review of physicians' work by their local peers, I wish to call the Members' attention to an article from the New York Times of October 28, titled "Nation's Doctors Move To Police Medical Care."

Peer group review is a new program established by the Congress and is designed to provide a realistic method of controlling health care costs, as well as providing quality care for our citizens.

The people of San Joaquin County, whom I am privileged to represent, have benefited since 1954 from the local peer group organization of physicians which is based in Stockton, Calif.

Founded and still headed by Dr. Donald C. Harrington, the San Joaquin Foundation for Medical Care has successfully evolved as a cornerstone in making the peer group review concept work for the benefit of our medical practitioners and the patients they serve.

Following is the article from the Times which I am sure will provide additional information and perspective on this important concept which is being put into practice throughout our Nation.

The article follows:

NATION'S DOCTORS MOVE TO POLICE MEDICAL CARE
(By Nancy Hicks)

STOCKTON, CALIF.—American doctors are quickly developing a new nationwide system to police the quality and cost of the medical care they dispense.

Pushed by demands from Congress and the public for more economical use of the billions of tax dollars spent on health services, doctors throughout the country will eventually be engaging in the type of performance analysis that was started here in the northern California county of San Joaquin almost 20 years ago.

In medicine, such analysis of a doctor's work by other doctors is called peer review. Although the idea has been catching on of its own accord and is already actively practiced

in dozens of locations, a new Federal law that goes into effect next Jan. 1 has put doctors on notice that they must systematically regulate themselves or face Federal regulations within two years.

"It doesn't quite have the ring of certainty now accorded death and taxes—not yet. But peer review as now mandated by Federal law is fast becoming inevitable," writes Dr. Leonard Rubin, coordinator of medical education for the Oakland-based Kaiser-Permanente Plan, which covers 1.5 million people.

The Kaiser plan has its own form of peer review, as do the Foundation for Health Care Evaluation in Minnesota, the San Joaquin Foundation for Medical Care here, and a network of federally funded experiments—widely differing organizations whose common experience is often called on to show that the peer review concept is workable.

Yet at the center of each of these diverse systems is the belief that more control must be placed on the physician, whether he is a solo practitioner, a member of a private group, or on the staff of a clinic or hospital. And this is another irritant to American doctors, many of whom are already unhappy about increasing "bureaucratic restrictions" imposed on them by publicly sponsored health programs such as Medicaid and Medicare.

Nonetheless, peer review is supported by the American Medical Association, the National Medical Association, which represents the nation's black physicians, and by many medical societies. And the new Federal legislation has made the idea something that doctors will have to deal with whether they want to or not.

The statute, a last-minute change in the massive package of Social Security amendments passed a year ago, requires that all medical cases paid for by Medicaid or Medicare—the Federal programs for the indigent and elderly, respectively—be reviewed for "appropriateness". The review is to be performed by self designated local doctor groups that will be called Professional Standards Review Organizations, or P.S.R.O.'s.

The legislation, sponsored by Senator Wallace F. Bennett, Republican of Utah, is supposed to see that the money spent for Medicaid and Medicare—programs that accounted for \$16.4-billion or about 20 per cent of the total \$83.4-billion of national health expenditures for the fiscal year 1972—buys medical care of the highest quality and the lowest cost.

And while the statute is limited specifically to Medicaid and Medicare, it is seen by doctors and politicians alike as the possible framework for any future medical review system enacted as part of a national health insurance program.

PURPOSES OFTEN CONFLICT

The purposes of peer review are often conflicting.

One goal of the law is for doctors who control such things as laboratory tests, hospital admissions and length of hospital stay to become just as mindful of cost as a housewife in the supermarket.

This concept of conserving basic medical resources, very much a part of medical care in developing countries such as China, is hard for American medicine to accept, given the country's high degree of medical technology.

Some practicing physicians find it absurd, for instance, to spend more than \$50,000 on one kidney transplant case and then skimp on giving a blood test routinely to another patient. Yet it has been shown that unnecessary routine medical procedures push up the cost of medical care.

"Vitamin B-12 and estrogen shots alone pay the doctor's rent and put his kids

through college," said Dr. George J. Williams, one of the pioneers in the San Joaquin Foundation for Medical Care.

Dr. Williams, a general practitioner in Lodi, about 10 miles from Stockton, said that the foundation's scrutiny of the need for such injections had reduced them significantly. Such injections make up only about 2 per cent of physicians' income in San Joaquin rather than the 30 per cent common in some places, Dr. Williams said.

The second goal—quality care—is more subtle, less easily defined, more difficult to achieve.

While American medical education prides itself on its heavy scientific base, the actual practice of medicine consists of about one-third science and two-thirds "art", according to Dr. John A. Cooper, president of the Washington-based Association of American Medical Colleges. And the science is ever-changing.

"SIGNIFICANT PROBLEM"

Physicians are, after all, human. They make mistakes. They have differences of opinion. Their performances does not always reflect their knowledge.

The peer review system of the Kaiser-Permanente Plan of Northern California, for instance, found "significant problems" in one of every eight clinic charts it looked over and in 95 per cent of the hospital records it reviewed, according to Dr. Rubin of the Kaiser Plan.

And last year, after the United Store Workers Union in New York City, which administers its own health insurance plan, had begun requiring that members have a second doctor review each recommendation for surgery, 19 per cent fewer operations were performed than were initially recommended.

Whether this reduction of services represents quality care is still a matter of debate in the medical field. More controversial is whether cost and quality control can be reconciled in one review system.

"Many physicians doubt whether P.S.R.O.'s can obtain the two stated goals, for in many ways they are incompatible," Dr. Claude E. Welch, a nationally prominent Boston surgeon, wrote in an article in *The New England Journal of Medicine*.

Still, some experts feel that quality care with strong peer review will, in fact, increase health care costs.

In any case, such professional organizations as the Joint Commission on the Accreditation of Hospitals and the American Hospital Association are not counting on the review organizations to insure quality medical care. Both organizations have developed a so-called "medical audit" system for hospitals to measure their care in such terms as the rate of postoperative complications—*infections*, for instance—rather than the number of days a patient stays in the institution.

From the consumer's standpoint peer review may upgrade the quality of health care, but it will not provide evidence to support malpractice suits. "Malpractice suits will still be the external quality control for individual patients," said Charles M. Jacobs, a lawyer who is assistant director of the Joint Commission on Accreditation of Hospitals.

From a philosophical point of view, some experts feel that peer reviewing will take the country one step closer to Government regulation of health services, and they wonder if direct regulation is the best route for American medicine to take.

"The Government, step by step, is being dragged into the regulation of health care and is doing so with no set policy, and P.S.R.O. is just the latest step," said Dr. Walter McClure, an astrophysicist who is also a health care specialist at Interstudy, the Minneapolis "think tank" that originated the Health Maintenance Organization scheme at

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the center of President Nixon's 1971 health message.

"The Government," he went on, "is drifting with just one goal in mind—cost control. But you just can't go about controlling costs. It's like trying to cure a symptom without having a diagnosis."

And politically, peer review is highly controversial.

Dr. William I. Bauer, who resigned as the first head of the P.S.R.O. office in the Department of Health, Education and Welfare, charged that the Administration had not come forth with the promised \$34-million to enact the new legislation. He has been replaced by Dr. Henry E. Simmons, formerly of the Food and Drug Administration.

OPPOSITION DEVELOPS

Some state medical societies—those in Texas and Louisiana for instance—are actively opposing the legislation, and one association of private practitioners, the Chicago-based Society of Physicians and Surgeons, has filed suit against it on the ground that it is unconstitutional.

Individual doctors, too, have protested. One Beverly Hills physician expressed his sentiments in a terse letter to Senator Bennett. "I oppose peer review. I have no peer," the doctor wrote.

Yet because of consumerism, which has brought about a general distrust of professionals, as well as the cost factors in health care, peer review is now appropriate, according to most professional medical organizations.

"Within the physician community, some still argue about whether the physician shall be accountable for his performance," said Dr. Richard E. YaDeau, a surgeon who is chairman of the board of the Minneapolis-based Foundation for Health Care Evaluation.

"As we physicians continue to debate this, the rest of the world has long since assumed that physicians are accountable—an assumption virtually unanimous throughout the nonphysician community," he continued. "Actually, the issue is no longer accountability, but: by what standards shall physicians be measured and who will be their architect?"

QUESTION OF "HOW" REMAINS

The question of who will do the reviewing has been settled; the doctors will do it. But the question of how it will be done remains unanswered.

Most existing peer review systems are in individual hospitals—in the form of utilization review committees that check admissions to make certain they are medically justified or tissue committees that examine human tissue removed during surgery to see whether the operations were justified.

It is because these hospital-based systems have not worked in the past, politicians and physicians agree, that a new national system is being assembled. But ask whether a new national system superimposed on the existing one will do a more responsive job. Theoretically, the national system could take over the hospital-based ones and monitor them, but the mechanism for doing this has not been worked out.

"We're moving into a totally uncharted area," Dr. Charles Edwards, Under Secretary for Health of H.E.W., conceded in an interview. "Neither the Congress nor I know where we're going or what we can achieve. We'd like to upgrade the level of health care in the country. But the question is, how do you do that?"

By Jan. 1, the country will be divided up geographically into P.S.R.O. areas in which at least 300 physicians practice.

Once this is done, local groups of doctors—not the medical societies—will petition the

Department of Health, Education and Welfare to become the local reviewing agency, the P.S.R.O. This group of doctors will set standards for care for its geographic location and will check to make certain that variations from that norm are medically justified.

Physicians who are found to be chronic offenders against the locally set norms will be subject to several sanctions: They can be denied payments of claims; they can be declared ineligible to participate in the Medicaid and Medicare programs; they can be fined up to \$5,000; they can have their questionable professional behavior made public. Fees will not be regulated, however.

If the system does not work to the Government's satisfaction by 1976, doctors will lose control of the program.

The peer review law is based on several models, some financed by the Federal Government. The oldest and best known, however, is the San Joaquin Foundation for Medical Care based here in Stockton.

The foundation was set up in 1954 by Dr. Donald C. Harrington, an obstetrician-gynecologist who is still its head.

As Dr. Harrington recalls, "I was going along happily practicing medicine when my brother who was president of the boilermakers union, called to tell me that the union was negotiating with the prepaid Kaiser-Permanente Plan for care."

Kaiser employs its own physicians, and their patients pay one monthly fee for all their health needs.

Dr. Harrington's brother said that his union members were satisfied with the care they were getting from Stockton doctors, but that this new Kaiser plan was economically more attractive.

SEPARATE GROUP SET UP

To combat this competition, Dr. Harrington set up an association of local physicians separate from the medical society.

For the dues they paid, they agreed to work for a set fee for most procedures, and in some cases would also offer prepaid services to groups of subscribers.

They named their organization the San Joaquin Foundation for Medical Care. The term foundation was chosen because Kaiser was sponsored by a foundation and, Dr. Harrington said, he wanted the concepts to be parallel in peoples' minds.

Today, there are 76 medical care foundations across the country. About half of them review claims. The other half also provide medical services.

For the San Joaquin Foundation, peer review came as an afterthought.

"We set up a comprehensive program with a reasonable fee schedule for doctors. But without review, it was like writing a blank check," Dr. Harrington said.

The foundation then realized that it could not do peer review unless outpatient insurance coverage was good enough to keep doctors from hospitalizing patients to treat them. Hospital care is expensive—running to almost \$200 a day in some metropolitan New York hospitals—but it is covered by health insurance. Most health insurance policies do not cover the same procedures performed in a clinic or doctor's office at a fraction of the hospital cost.

The foundation, therefore, now sets a minimum standard of insurance that can be sold in San Joaquin and the four other counties under its jurisdiction: Alameda, Amador, Calaveras and Tuolumne.

It has virtually total control of health services in the area. Ninety-seven per cent of the 330 practicing physicians in the area are members, Dr. Harrington said. Membership means the doctors are willing to accept as payment in full fee schedules, set by the foundation, averaging about \$8 for each 10

minutes spent with a patient. Reviewers scrutinize the number of visits, based on diagnosis, time spent with the patient, lab work and injections. About 8 per cent of all claims reach the review committee.

In addition to providing care on a prepaid basis for 47,000 MediCal (California's Medicaid program) and 37,000 Medicare patients, the foundation reviews claims for the 130,000 subscribers to other insurance programs. This means that two-thirds of the population in the area is covered in some way by the foundation, according to Boyd Thompson, executive director of this foundation and of the American Association of Foundations for Medical Care.

"We have total control of health services for the area because we control the flow of dollars," Dr. Harrington said. "We write the checks, not the insurance companies."

The foundation can and does impose strict sanctions for physicians of questionable performance. It can reduce the physician's fee, and he is not allowed to bill the patient for the extra amount.

In a few cases, doctors thought to be doing unnecessary surgery were required to have their diagnoses confirmed by other physicians before the operation could be performed. The 11 hospitals in the area know that when the foundation imposes their rules, and the hospital does not comply, the institution is not paid for the time the patient stays in the hospital.

Once or twice, the foundation has required the supervision of a doctor during surgery, Dr. Harrington said.

A COMMON PRINCIPLE

The principle behind peer review here is the same as in any group pressure situation—the same one, for instance, that has almost every 13-year-old wearing equally faded jeans with a regulation cuff.

"There are maybe a handful of marginal doctors and being a reviewer has made work very hard at not being considered one of them," explained Dr. Bryant B. Williams, a pediatrician who is one of 30 physician review and one of Stockton's four black doctors.

In his case, he said, peer review has not decreased his income but increased it—by making MediCal payments competitive with those paid in the community at large. As a result of this factor, about 90 per cent of the doctors in the area will take patients from MediCal and Medicare—a much higher than normal percentage.

The model in San Joaquin works, Dr. Harrington said, because the community is small enough for doctors to know one another. It would not be transferable to Boston, Baltimore or New York, he admits.

Larger scaled, less controlling models exist in other places, such as the foundation in Minnesota in which Dr. YaDeau is involved.

Unlike the San Joaquin foundation, the Foundation for Health Care Evaluation does not dispense medical care. It reviews the most expensive insurance claims—the top 15 per cent—for local companies, an activity that began in Hennepin County in 1968 and is now performed statewide.

REVIEWS ADMISSIONS

It reviews hospital admissions for 17 of the 35 hospitals in the seven-county area. And in the Bethesda Hospital in St. Paul, of which Dr. YaDeau is medical director, the foundation is studying the records of every patient treated in the hospital in the first quarter of the year.

About 90 per cent of the 2,000 doctors in the seven-county area belong to the foundation.

"They pay \$10, and for that \$10 they have their fees cut if they're too high," Dr. YaDeau said.

The activities of the foundation have been felt in the area. For instance, 58 per cent of those expensive claims reviewed by the foundation in 1972 were reduced, Dr. Ya-Deau said. For the first nine months of 1973 the fee reduction rate was 66 per cent.

A study of hospital bed utilization has resulted in a reduction in the average length of hospital stay from 8.7 days to 6.9 days at Bethesda Hospital. When the program was started, the average length of stay had dropped to 6.1 days, then came back up.

"This was the original fright of doctors who felt they had to send patients home because a norm had been set. Then the doctor realized that he did not have to send the patients home. All he had to do was say why the patient had to stay longer," Dr. Ya-Deau said.

Altogether, utilization review at Bethesda Hospital in St. Paul has reduced the cost of care for each hospitalized patient. And, the hospital no longer has a waiting list for elective surgery and it has closed down about 80 of its 300 hospital beds, turning that space into doctors' offices.

But the paradox in this—one that makes peer review unrelated to many doctors and hospital administrators—is that the hospital is beginning to lose money by economizing.

In 1971, the hospital took in \$9-million in income and realized an operating surplus of \$450,000, or 5 per cent. In 1972, the first full year of utilization review, the gross income was a little higher, but the operating surplus was only \$4,000, four-tenths per cent—one hospital employee's salary. This year, the hospital may run a deficit.

The way this paradox is resolved will de-

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termine whether peer review proves the strength or the bane of future health care reform.

FEDERAL CIVILIAN EMPLOYMENT, SEPTEMBER 1972

HON. GEORGE H. MAHON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. MAHON. Mr. Speaker, I include a release highlighting the September 1973 civilian personnel report of the Joint Committee on Reduction of Federal Expenditures:

FEDERAL CIVILIAN EMPLOYMENT, SEPTEMBER 1973

Total civilian employment in the Executive, Legislative and Judicial Branches of the Federal Government in September was 2,782,244 as compared with 2,810,468 in the preceding month of August—a net decrease of 28,244. Total pay for August 1973, the latest month for which actual expenditures are available, was \$2,961,752,000. These figures are from reports certified by the agencies as compiled by the Joint Committee on Reduction of Federal Expenditures.

EXECUTIVE BRANCH

Civilian employment in the Executive Branch in September, as compared with the preceding month of August and with August a year ago, follows:

	Full-time in permanent positions	Change	Temporary, part-time, etc.	Change	Total employment ¹	Change
Current change:						
August 1973	2,396,610		370,359		2,766,969	
September 1973	2,403,480	+6,870	335,779	-34,580	2,739,259	-27,710
12 month change:						
September 1972	2,471,364		296,493		2,767,857	
September 1973	2,403,480	-67,884	335,779	+39,286	2,739,259	-28,598

Some highlights with respect to Executive Branch employment for the month of September are:

Total employment of Executive agencies shows a decrease of 27,710 during the month of September to a total of 2,739,259. Major decreases were in Defense with 11,843, Interior with 4,071, Agriculture with 3,936,

Postal Service with 2,278 and General Services Administration with 1,005.

The 27,710 decrease in total Executive agency employment reflects a usual decline in regular seasonal employment and temporary summer employment in federal opportunity programs for the disadvantaged.

In September there were 32,469 youths

employed in federal opportunity programs for the disadvantaged. This is a decrease of 19,683 from last month. Employment under this program reached its peak in the month of July when 63,331 youths were reported in temporary and part-time positions.

The full-time employment level of 2,403,480 reported for the month of September shows an increase of 6,870 as compared with the previous month of August and it is 67,884 under the total reported a year ago.

Of the 6,870 increase in full-time permanent employment during September major increases were reported by Postal Service with 3,048, Treasury with 1,511, Defense with 1,113 and Veterans Administration with 1,016.

During the first quarter of fiscal year 1974 there was a net increase of 8,480 employees in full-time permanent positions. This represents an increase of 11,182 among the civilian agencies and a decrease of 2,702 in Defense agencies.

A comparison of total employment among the civilian and military agencies follows:

	September	August	Change
Civilian agencies	1,711,819	1,727,686	-15,867
Military agencies	1,027,440	1,039,283	-11,843
Total, civilian employment	2,729,259	2,766,969	-27,710

LEGISLATIVE AND JUDICIAL BRANCHES

Employment in the Legislative Branch in September totaled 34,123, a decrease of 638 as compared with the preceding month of August, while employment in the Judicial Branch totaled 8,862, an increase of 124 since August.

UNIFORMED MILITARY PERSONNEL

In the Department of Defense uniformed military personnel totaled 2,231,938 for the month of September and civilian employment totaled 1,027,440.

In addition, Mr. Speaker, I would like to include a tabulation, excerpted from the joint committee report, on personnel employed full time in permanent positions by executive branch agencies during September 1973, showing comparisons with June 1972, June 1973, and the budget estimates for June 1974:

FULL-TIME PERMANENT EMPLOYMENT

Major agencies	June 1972	June 1973	September 1973	Estimated June 30, 1974 ²	Major agencies	June 1972	June 1973	September 1973	Estimated June 30, 1974 ²
Agriculture	82,511	81,715	79,182	78,800	Environmental Protection Agency	7,835	8,270	8,270	9,200
Commerce	28,412	28,300	27,776	28,400	General Services Administration	36,002	35,721	35,340	37,800
Defense:					National Aeronautics and Space Administration	27,428	25,955	25,814	25,000
Civil functions	30,585	29,971	28,234	30,800	Panama Canal	13,777	13,680	13,690	14,000
Military functions	1,009,548	957,310	945,688	955,000	Selective Service System	5,791	4,607	3,577	3,900
Health, Education, and Welfare	105,764	114,307	117,415	101,800	Small Business Administration	3,916	4,050	3,990	4,100
Housing and Urban Development	15,200	15,820	15,487	13,900	Tennessee Valley Authority	14,001	13,995	13,709	14,000
Interior	56,892	56,771	56,199	56,900	U.S. Information Agency	9,255	9,048	8,929	9,100
Justice	45,446	45,496	46,762	47,100	Veterans Administration	163,179	170,616	170,575	170,000
Labor	12,339	12,468	12,254	12,400	All other agencies	33,499	34,610	33,839	35,800
State	22,699	22,578	22,445	23,400	Contingencies				5,000
Agency for International Development	11,719	10,108	9,759	9,900	Subtotal	1,910,854	1,874,424	1,858,434	1,874,100
Transportation	67,232	67,885	67,351	69,400	U.S. Postal Service	594,834	547,283	545,046	564,500
Treasury	95,728	98,087	98,932	104,000	Total ³	2,505,688	2,421,707	2,403,480	2,428,600
Atomic Energy Commission	6,836	7,145	7,241	7,400					
Civil Service Commission	5,260	5,911	5,976	6,000					

¹ Included in the total employment shown on table 1, beginning on p. 3.

² Source: As projected in 1974 budget document. It should be noted that the President has ordered reductions in the projected 1974 level, but information is not yet available.

³ Excludes increase of 31,000 for civilianization program.

⁴ Excludes increase of approximately 15,000 in adult welfare categories to be transferred to the Federal Government under Public Law 92-603.

⁵ September figure excludes 1,175 disadvantaged persons in public service careers programs as compared with 1,257 in August.

THE COST OF LIVING COUNCIL

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. THOMSON of Wisconsin. Mr. Speaker, the Cost of Living Council recently proved once again that they know nothing about agriculture. You would think that with the chick slaughter and the beef supply interruption, among other things, the Cost of Living Council would go out of its way to avoid previous blunders. Yet just last week the CLC pulled another dandy by persuading the White House to permit the importation of millions of pounds of subsidized butter.

I realize I am beginning to sound like a broken record, but American dairymen can favorably compete with their European counterparts in a free trade situation. The butter deal, however, is far from free trade; rather, it represents a condition where the United States is at least temporarily abolishing our quotas while Europe continues to engage in the unfair practice of export subsidies.

The Cost of Living Council argued that the price of domestic butter was high, so an increased supply of "cheap" butter would bring down prices. Of course, they chose to ignore the fact that butter had just dropped about 12 cents per pound. I have consistently warned, however, that such thinking is shortsighted. It does not consider the fact that these imports are not cheap, but subsidized, and that this subsidy will not continue once American producers are driven from the market.

I believe the data surrounding the butter deal confirm my argument. Currently, the target—support—price for manufactured milk in the EEC is \$6.79 hundred-weight; Government butter purchases keep the price at no less than 96.3 cents per pound. American producers would drool at the thought of these prices, yet the very difference is an outstanding indicator of the greater efficiency of our dairymen and the need for subsidies if the Europeans are going to compete with them.

I find it significant that the Europeans have already demonstrated their intention of lowering the export subsidy as soon as there no longer is a domestic industry to compete with. In late August or early September, vague rumors began to float around Washington that large butter imports were in the making. I could not substantiate these rumors for almost a month, but the Europeans did not need confirmation. Already considering somewhat reducing export subsidies on butter, the EEC dropped its subsidy, effective September 7, to the United States, Puerto Rico, Canada, and Mexico by nearly 22 cents per pound, from 60.19 cents per pound to 38.30 cents per pound. Subsidies for butter exports to other countries dropped less than 6 cents per pound, from 60.19 cents to 54.72 cents, effective October 13.

This action raises several questions. Why did the EEC lower subsidies for

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North America 3½ times more than for the rest of the world when the old ones had been equal? Why were the new subsidy rates effective on two different dates? Was it coincidental these new rates for North America became effective September 7, after the rumors about butter imports began?

It appears all too clear that the Europeans understood they would virtually have a guaranteed sale. That meant such large subsidies would not be needed. But the subsidy retained—38.3 cents per pound—had to be just enough to undersell the American producer. The result would be lowering the price minimally to the American consumer, but it also would have the effect of accelerating the already shocking decrease in domestic milk production. Once the current emergency situation is relieved, the butter price rise due to milk shortages and the whole process will begin again until such time as we have nothing but expensive imports.

I do not blame the Europeans; they are smart businessmen. What I want to know is where all that Yankee ingenuity has gone or, more probably, have we minor leaguers at the Cost of Living Council playing in the majors? If the latter is the case, it might be good to farm them out for a little seasoning.

PATROLMAN COOPER SAVES CHILD'S LIFE

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. KETCHUM. Mr. Speaker, I am pleased and proud to call the attention of my colleagues to an inspiring and meritorious action taken by one of my constituents, Patrolman Phillip L. Cooper, of Grover City, Calif.

On August 13, 1973, Patrolman Cooper, trained in Red Cross first aid, was dispatched to the scene of a near drowning of a 16-month-old child. On arrival he found the victim with no viable life signs. Immediately Patrolman Cooper, assisted by the child's mother, began to administer artificial respiration and other supportive measures, which he continued until the child's breathing was restored. The victim was taken by ambulance to a hospital and later recovered completely. Without doubt, Patrolman Cooper's use of his first aid skills and knowledge saved the life of the child.

In recognition of this lifesaving action, Patrolman Cooper has been awarded the Red Cross Certificate of Merit. This is the highest award given by the American Red Cross to a person who saves or sustains a life by using skills learned in a Red Cross first aid, small craft, or water safety course. The certificate bears the original signatures of the President of the United States, honorary chairman, and Frank Stanton, Chairman of the American National Red Cross.

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Surely Patrolman Cooper is deserving of such an award, as well as the thanks and praise of his fellow citizens. The saving of a child's life is among the noble deeds that a man can perform, and I am sure that the Members of the House join me in expressing our admiration for Patrolman Cooper's action.

TRY IT ON

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. ZWACH. Mr. Speaker, the 22d amendment to the Constitution of the United States provides that no person shall be elected to the office of the President more than twice—thus limiting the term to 8 years.

Most of us agree that this is a good amendment, but I raise the question, why put this limit only on the term of the President? Perhaps it would be a good idea also to limit the terms of Members of the Senate and the House of Representatives.

Margery Burns, a weekly newspaper columnist in our Minnesota Sixth Congressional District, wrote a very interesting article on this matter which I would like to share with my colleagues by inserting it in the RECORD:

TRY IT ON

If you're feeling groggy because of all the disturbing things that go on and have gone on in our government, you should start thinking about what we can do to lighten those dark stretches.

What can be done? What should be tried? Along with the other ideas you're thinking about, here's one you should consider too.

What do you think about limiting the number of terms for all elected officials? The most important official in the world, the President, can only serve 8 years. Perhaps all the other offices should be limited to 8 years too.

Now, before you yell that it wouldn't work; that it wouldn't be efficient; that it would dump a lot of good people; that nobody would run for office; and besides, Congress and the Legislators would never dream of voting themselves out of office—before you shout it's a crazy idea, why don't you look at it a little bit. Maybe you're right and it wouldn't work, but don't step on it without talking it over.

Of course, we have only one example of limited terms—the Presidency. So far, it's been better for the country than having one President keep the job for many, many years and turn in into a monarchy or dictatorship.

The argument that a limited term would hurt efficiency in getting things done is silly when you think about the inefficient things that are showered on us the way it is now. If you believe that it takes long years to learn the ropes, then you aren't voting for the smartest people. And it's imperative that we have intelligent and honest people running our government. And then, maybe a little honest inefficiency would be better than a lot of efficient, dishonest governing.

It's true that it would put some good people out of office, but it would dump some very incompetent people too. Fortunately, there are many good people to choose from.

Then, of course, the built-up pressures from different groups on elected officials would be cut off at an early date. The folks who use money and gifts to sway officials would have a tougher time trying to pin down new officials every few years. The constant turn-over would break that build-up of power over officials. There would be so many new officials all the time that it could cancel out a lot of graft and kick-backs.

The constant search for new and good candidates would keep the political parties from getting too complacent and sitting back with a 20 or 30 year term official who isn't too sharp. Of course, this would be a lot of work and worry. But why shouldn't the parties work to find good and honest candidates?

Now, maybe you're coming up fast with many arguments against this idea, but when you've finished that exercise, then think up some for it too.

What we need are some good safe-guards for giving us the best government there is. Of course, the whole thing comes down to you—you're the one who must take an interest in your government.

ARCHIBALD COX DISBARMENT

HON. E. G. SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. SHUSTER. Mr. Speaker, when Archibald Cox was dismissed as special prosecutor for the Justice Department, he was widely lauded as a man of conviction, one who put principle above politics, one whose integrity was more important than compromising his estimate of justice, indeed, Chesterfield Smith, president of the American Bar Association, glowingly praised Cox at that time, stating:

He emphasized to the people of this Nation that—he is a lawyer who honors and cherishes the tradition of the legal profession and—(he) properly and without hesitation puts ethics and professional honor above public office.

Mr. Speaker, it is evident now that these plaudits were totally without foundation.

Cox, by his confessed disclosure of confidential information to political cronies, has betrayed the Congress and the American people, and seriously offended the integrity of the legal profession. I am appalled that such a blatant violation of both criminal statute and professional ethics can go virtually unnoticed in the legal profession.

This situation is so serious that I have personally written to the president of the American Bar Association and the president of the Massachusetts Bar Association asking for an immediate and thorough investigation of the Archibald Cox incident, leading to possible disbarment, censorship or any other action deemed appropriate by those professional associations.

Mr. Speaker, it is incumbent on these associations to take appropriate action in order to uphold the integrity of the legal profession, which may well be held

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in abeyance pending final disposition of this grave matter.

Mr. Speaker, I insert my letter to Chesterfield Smith in the RECORD:

CONGRESS OF THE UNITED STATES,
Washington, D.C., November 7, 1973.

Mr. CHESTERFIELD SMITH, ESQ.,
President, American Bar Association,
Chicago, Ill.

DEAR MR. SMITH: Mr. Archibald Cox, Special Prosecutor for the Justice Department, has, by his self-confessed actions relating to an executive communication, seriously broken faith and trust with the Congress and the American people, and, in my opinion, grievously jeopardized his standing in the American Bar Association.

By disclosing certain information regarding a federal investigation revealed to him by former Attorney General Richard G. Kleindienst, Cox clearly violated 28 U.S. Code 509, § 50.2 of Part 50 of Chapter 1 of Title 28 of the Code of Federal Regulations. Additionally, this conduct was inconsistent with the spirit of the Code of Professional Responsibility, governing all officers of the court.

I am appalled at this blatant misuse and abuse of office. The reputation of all officers of the court may well be held in abeyance pending proper disposition of this matter.

Therefore, I believe it is incumbent on you, as President of the American Bar Association, to begin an immediate and thorough investigation into the potential criminal and certainly unethical activities of Archibald Cox, leading to possible disbarment, censorship or other action deemed appropriate by your organization.

In your statement following the dismissal of Cox as Special Prosecutor, you applauded him, stating he "... emphasized to the people of this nation that ... (he is a) lawyer who honors and cherishes the tradition of the legal profession and ... (he) properly and without hesitation puts ethics and professional honor above public office." It is clear now that this statement was without foundation. I hope that now, in light of the confession of Cox casting a long shadow on your plaudits, you will denounce him with the same vigor and forcefulness with which you acclaimed him.

I wish to emphasize that my actions are completely segregated from any other ongoing investigations or Congressional or legal proceedings. I am merely attempting, as a concerned American and as a representative of nearly a half-million people, to insure that the same standards and rules apply across the board—to the investigators as well as the investigated.

If the integrity of our system of judicial process is to be upheld, no man can place himself above the law—not the President, not any duly appointed officer of the Court, not the average citizen, and not Archibald Cox.

I consider this to be a matter of utmost importance and urgency. Your cooperation is essential.

Sincerely,

E. G. SHUSTER,
Member of Congress.

CANADA ADMONISHED FOR TREATMENT OF UNITED STATES

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. DERWINSKI. Mr. Speaker, the news developments pertinent to the en-

ergy crisis, that have been emphasized recently, has resulted in a cutoff from the Middle East oil supply and now an increase in tax on the Canadian flow. This has caused a political division in Canadian and U.S. relations.

In my judgment, the matter has suffered sufficient media coverage as noted in the Chicago Tribune in a very timely column by Eliot Janeway. The article discusses the Canadian decision which seems to take advantage of the situation of the United States.

CANADA ADMONISHED FOR TREATMENT OF UNITED STATES

(By Eliot Janeway)

NEW YORK, Nov. 11.—Canada has done it to America again. The second tax increase in two months on the flow of Canadian crude oil to the northern tier American cities dependent on it is the form her latest unilateral declaration of economic war has taken.

I yield to no citizen of the United States in the warmth of my friendship for Canada, in the range and breadth of my Canadian friendships, and in the practicality of my concern for this closest and most natural and reciprocally rewarding of American partnerships. Three times in these last two troubled months, I have written columns warning of the consequences looming for both countries if America's present distress and Canada's continuing weakness are allowed to strain this genuinely special relationship beyond the point of negotiating accommodation.

Admittedly, the temptation for Canada to tweak Uncle Sam's whiskers is great. They are tattered. Canada's increasingly strident nationalists are confident of scoring points politically every time they make big uncle squeal and like it; altho I am not less sure than they that demagogic anti-U.S. swaggering will not pay off as claimed after Canadians of practical bent discover that they are hurting themselves every time they hurt their good, if wounded, neighbor to the south.

Admittedly, too, America's incompetent handling of her own affairs has invited the treatment Canada has given her. Oil is the only one of three parallel horror stories. With Washington fresh out of negotiating ploys to prevent the Arab and Venezuelan hosts of the American international oil companies from putting the squeeze on, Canada is not leading the parade but following it.

Newspaper is another horror story for which America has herself to blame. More precisely, she is overdue to blame the economic pundits who theorized about the advantages dollar devaluation would assure her.

In my column of Sept. 10, I warned that the prospect of earning cheaper U.S. dollars would give Canada's newspaper producers an irresistible incentive to divert increasing quotas of their premium product overseas. At \$200 a ton, allowing 4 per cent for the cost of insurance against further weakness for the Nixon dollar, the Canadian newspaper managements are bound to reckon each ton shipped across the border as earning them \$8 less than every ton shipped to stronger currency countries.

Washington's failure to play America's formidable auto bargaining chips is the third horror story. Washington has been giving Canada a free ride into a sizeable portion of America's mass market since 1965. Canada needs it more than ever; and this year finds America less able to afford playing "good time Charlie" than in a long time. Taking it away with unilateral harshness would be no wiser for America than Canada's provocative tactics are for her. But there's no substitute for bargaining between partners as their mutual protection against excesses—and we have no bargaining.

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This second oil tax crackdown of Canada has hit America on two exposed nerves at once. The first is located domestically and centered in her slackened consumer economy. The other is located in the no-man's-land separating America from her one-time dependents who have long since gone into business for themselves as her successful competitors and harsh creditors.

The oil and gas dollar is petty change for American consumers alongside the food, rent, and tax dollar. But soaking them for big new fuel costs will rile them up more than the beef squeeze did.

All the foreign powers in the world scrutinizing America, as well as all the weaklings, are bound to be impressed by the one-way trip thru the meat grinder that Ottawa is giving Washington. Kicking Dick Nixon around is a paying business internationally, and every politician in every foreign capital is following Trudeau into it.

GRAND OLD LADY OF POLITICS

HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. JOHNSON of California. Mr. Speaker, an old friend of mine has decided to retire and thereby has brought to an end one of the most effective, colorful volunteer political careers I have ever known.

Alice Border, who will reach 79 years this month, has been known as "Mrs. Democrat" in the eastern Shasta County area for at least a decade and a half. It was in 1958 that she organized the Burney Democratic Women's Club and as she stepped down as its president this year, club members decided to regroup under another name, because it would not be the same without Alice Border.

One of the remarkable efforts sponsored annually by the club was a quilt sale, which has been a tradition in Burney. It was through the making of quilts and their sale that the club raised its funds for its most effective efforts.

Alice and her husband, Ted, who himself is an active, dedicated representative of the Democratic Party, together demonstrate the importance of participation by all our citizens in our Government regardless of party. Their work on behalf of their party, their State, and the Nation will stand for years to come as an example which should and must be followed not only by the people of Burney but of all our State of California and our Nation if we are to continue a free democratic society.

An announcement of the retirement of this "Grand Old Lady of Politics" was published recently in the Inter Mountain News of Burney, Calif., and I insert in the RECORD the article entitled "Grand Old Lady of Politics Is Retiring":

ALICE BORDER AT 79—GRAND OLD LADY OF POLITICS IS RETIRING

BURNEY.—The lady known as "Mrs. Democrat" in the Burney area is resigning. Mrs. Alice Border, who will turn 79 in November, has announced her retirement as president

of the Burney Democratic Women's Club, effective November 1.

Mrs. Border was responsible for the organization of the club in 1958 and has been active ever since. She organized the club with the help of Kathryn Broward and Edna Barrington and Emma Timone.

The first president of the club was Jeanette Messinger. A year later Mrs. Border was appointed secretary-treasurer and she has held a top office in the club every year since then. She served as president for ten years and has been president for the past six years.

CLUB WILL BECOME INACTIVE

With the retirement of their president, the other members of the club decided not to continue an active club. However, in order to keep their identity and bank account, they will elect officers for 1974 on November 5. The club will also assist in the 1974 election in a small way.

Mrs. Border's political activity includes a TV appearance in Redding on behalf of John F. Kennedy when he was running for president in 1960, and on radio in Redding in 1964 on behalf of Pauline Davis.

She has served as Eastern Shasta County chairman for Don Rose when he was running for Secretary of State, Pauline Davis when she was running for the Assembly, Virgil O'Sullivan, State Senator, and Jess Unruh for Governor.

Mrs. Border has been on Bizz Johnson's Shasta County campaign committee, and on Senator John Tunney's campaign committee since each was first elected.

In addition, she has served the past nine years as Eastern Shasta registration chairman.

But perhaps her first love is music. Mrs. Border is the composer of several songs for the club and other music. She says, "Maybe now that I am retired, I'll have more time to play the piano and write music."

With all the activities of Mrs. Border, Mr. Ted Border is not left out of the picture at all. In fact, she said, "He has been the good right arm of the club since 1960 and has received a plaque as an honorary member of the club."

Ted Border, also known as "Mr. Democrat," retired from the then Scott Lumber Mill in 1956 and started his own business, Ted's Upholstery. He hopes to retire from this sometime next spring and open a rock shop. He has been a member of the Democratic Central Committee since 1962 but does not plan to run for the office next year.

QUILT SALE WILL BE THE LAST

The annual quilt sale that is almost a tradition with the Borders will be held this year on October 26 and 27. "But this will be the last," said Mrs. Border. "It has just gotten to be too much." Most of the quilt work is done by Mrs. Border herself.

"I'm not retiring from life, remember," Mrs. Border said. "I plan to spend more time enjoying the beautiful area we live in. I've traveled a lot, but there's no place like this area."

ENERGY CRISIS

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. MACDONALD. Mr. Speaker, I would like to call to the attention of my colleagues the President's latest energy message which he delivered to the

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American people on television last week. I find myself in complete accord with the President when he spoke of the present energy crisis as a very serious one confronting all the people of this country. But that is about the only point in his message on which we agree.

For unlike this administration, the Congress has foreseen this grave situation and has been working diligently in an attempt to develop constructive and effective solutions to the complex problems relating to our Nation's energy needs.

There is also little doubt that the energy crisis has been heightened by the Arab States, who, in the practice of "oil diplomacy," have chosen to cut back oil exports to the United States. However, it is wrong to imply, as the President seemed to suggest, that the recent outbreak of hostility in the Middle East is alone responsible for creating our energy problems. These problems have been with us as a nation for a long, long time. They have been exacerbated by such artificial policies as the oil import quota system and others which have served the special interests rather than the public interest.

I agree fully with the President when he speaks of the need for bipartisan cooperation in overcoming the grave energy problems which now face us. I am reminded of the commitment made by the late President Kennedy to land a man on the Moon within the decade of the 1960's. When President Kennedy first made this commitment in 1961 there were few who believed that this lofty goal could be achieved. It was only through the spirit of cooperation between the President and the Congress, and between scientists and private industry, that we were able to make what first seemed no better than a dream become an almost commonplace reality. Meeting the energy needs of the people of this Nation will require a similar sense of purpose and dedication on the part of both the President and the Congress. Even more important it requires leadership on the part of the President to produce a willingness to cooperate on the part of Congress. It is precisely for this reason that I was sorry that the President, at the very moment when leadership and cooperation are so necessary, chose to lay the blame for the energy crisis at the door of the Congress. In so doing he was seriously misleading the American people.

It is important to examine the President's previous energy messages to the Congress. His message of 2 years ago was an enunciation of high goals and purposes but without specific recommendations. As the energy squeeze grew worse, Congress was led to believe that the President planned a comprehensive legislative program for which he would seek congressional approval. When his second message was finally sent to Congress, in April of this year, it proposed legislation which, at best, could only have a long-range effect. There is no evidence that any of the seven pieces of

legislation which he recommended in April would have better enabled the country to survive the shortages and the suffering which are undoubtedly in store for this winter. In addition, most of the legislation he proposed was extremely controversial and was the kind of legislation which Congress needed to examine carefully, although with all diligent speed.

For example, the President recommended deregulation of the price of natural gas at the wellhead. This has become, it seems, the holy grail of this administration. I am not convinced that the deregulations of natural gas prices will produce any more energy for this country. What clearly would result from such deregulations is an immediate and substantial increase in the price of this fuel to the consumer, without the needed exploration for new sources of natural gas. I know that you will be as shocked as I was when I was informed by representatives of the major oil companies sitting as a group in my office that they would not promise to use this new-found money for exploration for new gas. For as they said, "Our first responsibility is to our stockholders." And when pressed as to what they would do with the windfall increase, they replied, "If the return was greater in real estate we would invest in real estate." Until and unless there are assurances that the new money will be used for exploration for new gas, the Congress should remain reluctant to pad the pockets of the major oil companies at the further expense of the consuming public.

However, despite the controversial nature of this legislation and the others proposed 6 months ago by the President, Congress is going forward with the consideration of these proposals and will act when it is convinced that the national interests are indeed being served. The Alaskan pipeline conference report which we will vote on today is an example of this process.

In his energy message of last week, the President again urged Congress to act swiftly in extremely important areas. For example, he has asked Congress to roll back existing environmental protection laws which are the product of a decade of concern on the part of the American people. In many other respects, he has asked the Congress to grant him broad energy powers which he would use to meet the current energy crisis.

As chairman of the Subcommittee on Power, I can assure the President that Congress will act on his proposals where we agree that the power is necessary and will be used wisely. But the Congress will not be rushed into precipitous action simply because the President claims that he needs special authority in order to act. Many of the proposals made by the President last week could have been implemented 6 months ago or even 2 years ago by the stroke of his pen. Others could have been adopted after consideration by the Congress before things reached the crisis proportions of today.

In effect, the President appears to be

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playing a kind of shell game with the American people by attempting, through a sleight-of-hand, to demonstrate that he has had a program to meet the energy crisis all along. In reality, the President has not even utilized the authority already granted to him by the Congress.

In April of this year, Congress, in the Economic Stabilization Act Amendments of 1973, gave the President authority to order mandatory fuel allocations. In May, I, in conjunction with Senator JACKSON and Senator KENNEDY, introduced mandatory allocation legislation.

The purpose of my bill is to provide a method to assure an equitable distribution of fuel sources to all regions of the country. It also assures that the independent marketer of petroleum products will not be forced out of business at the whim of the major oil companies. In addition, such an allocation program will insure that domestically produced fuel oil is utilized to meet domestic needs as the highest priority. Implementation of a similar program by the President under the authority given to him by Congress could have prevented what is reported to be an increase in the exportation of domestically produced fuel oil by the major oil companies at a time when our needs here at home should be overriding. The enactment of the mandatory allocation legislation which I introduced, and which was agreed to last week by House-Senate conferees, specifically prohibits such exports in the future. However, I would like the President to explain why he has allowed these exports to rise over the past 6 months in a time of increasing shortages.

The voluntary allocation program which the President announced last May failed to meet the needs of the country. It should have been clear at that time that the only workable solution was a mandatory program.

Typical of administration foot-dragging attitude in face of the energy crisis has been their reluctance to change from a voluntary to a mandatory allocation program. On July 10, appearing before the Commerce Committee to testify on my mandatory allocation bill, Deputy Treasury Secretary William Simon, who was Chairman of the President's Oil Policy Committee, promised administration action on a mandatory program within 7 days. Needless to say, no action was forthcoming, and it was in this period that Secretary Simon was replaced as "energy czar" by former Colorado Gov. John Love. I requested Governor Love's position on mandatory allocations but was told that he was unavailable to testify. On July 25, in my remarks in this Chamber, I expressed "a sense of regret and disappointment" at the lack of resolve on the part of the administration to take the steps necessary to implement a mandatory program. The following day Governor Love telephoned me and promised a decision within "a few days." Again, the promise was an empty one.

As a result, Commerce Committee action on H.R. 9681 was completed quickly and the bill was passed by the House

overwhelmingly, 337 to 72. The conference report is scheduled for final approval by Congress this week.

What is important to note is that at no time during the period in which Congress was readying this legislation did the President exercise the authority we had given him in April to achieve the same goal. It is difficult to lay the blame for delay at Congress door in this instance.

In closing, I would agree with the President that now is the time for all of us to work together and to put aside partisan and personal differences for the sake of the American people. I can assure the President that he will have my subcommittee's complete cooperation to this end. However, I can only hope that the President will be able to follow his own advice and that he will stop taking bad advice himself from the major international oil companies.

THE MULTINATIONALS

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. GIBBONS. Mr. Speaker, a group of us from the House met recently with a group of European parliamentarians here in Washington for 3 days of discussions on United States-European relations and other matters of mutual interest, including trade, investment, development, and energy policies.

During one of these sessions it was my privilege to present a discussion paper on the issues involved in the worldwide operations of multinational corporations—MNC's.

There was a great deal of agreement among those present at that session on the nature of the problems for governments which are associated with MNC operations. We agreed that at our next meeting, in March, we would discuss the specific points which could be included in a new international agreement on the taxation, standards of conduct and implications for competition of MNC operations.

I would like to insert my discussion paper on MNC's in the RECORD at this point and ask for comments which might be helpful to us in drawing up a proposed international agreement on this important subject:

THE MULTINATIONAL CORPORATION: ITS REGULATION, TAXATION AND STANDARDS OF OPERATION

(By Congressman SAM M. GIBBONS)

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The Honorable George Ball, former U.S. Under Secretary of State, once said this about the multinational corporation:

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"The multinational corporation not only promises the most efficient use of world resources, but as an institution, it poses the greatest challenge to the power of a nation-state since the temporal position of the Roman Church began its decline in the 15th century."

Truly, it is fitting and most necessary that we focus our attention on the development of the multinational corporation (MNC)—now perhaps the dominant force in economic relations between nations—for we as representatives of the people of the world can continue to neglect this subject only at our mutual peril.

There is no denying the fact that the multinational corporation, as an instrument for greatly increasing commerce among nations, carries with it the potential for increasing greatly not only our standard of living but also the prospects for peace and understanding on this fragile planet.

The multinational corporation can be one of the most efficient economic units ever known to man. It has integrated world resource markets with great success, especially labor and capital markets. It has been the same kind of boon to the world economy as the domestic corporation was to the United States in the 1880s and 1890s when it integrated the various regional markets and resources of the country.

The development of the corporation in the United States was not without its problems, however, just as the development of the MNC is not. The most notable reaction by the U.S. government to the excesses of the corporation was the creation of the U.S. antitrust laws. Unfortunately, a similar reaction to the excesses of the MNC has not been so rapid and definite in appearing.

As so often happens in the case of rapid new developments, the governments of the world have, it seems, been tardy in recognizing the significance of the MNC and our common interest in keeping the operations of the MNC responsive to nationally and internationally agreed upon goals.

As far as effective monitoring or action regarding the development of the MNC goes, the nations of the world really have been "drifting" in their policies.

MAKING THE MNC ACCOUNTABLE

No multinational corporation in its right mind would of course voluntarily submit to government regulation. A Dow Chemical Company official admits to a continuing dream of "buying an island owned by no nation, and of establishing the world headquarters of the Dow Company on the truly neutral ground of such an island, beholden to no nation or society."

Anthony Sampson, author of the book, "The Sovereign State of ITT," observes that MNCs invariably regard governments, like other obstacles to management, as nuisances to be circumvented or overcome."

In the United States, the Federal Trade Commission brought suit against the Xerox corporation. At first, the company would not even meet with representatives of the Commission. Their response was "We don't believe that the Federal Trade Commission is the appropriate forum for the resolution of the problems of multinational corporations."

By what right should any MNC feel that it is or should be responsible to no one?

After World War II we were careful to set up agreements and institutions promoting agreement on divisive world issues—the United Nations, the International Monetary Fund, the General Agreement on Tariffs and Trade (GATT)—but we failed to realize that the MNC would become a force and a problem to be reckoned with in its own right. Though we now seem to have recognized this fact, we are in large part still failing to deal rationally with the MNC, either as individual countries or on an international basis.

We have generally failed to make realistic

accountings of the costs and benefits of the multinational corporation and have failed to make the MNC really responsible to anyone or any organization.

Thus, we face the real prospect that our individual and common social, economic and political goals and policies will be frustrated by the day-to-day operations of the giant MNCs—that individual corporate managers will make decisions that can overrule the decisions of national governments.

We face the likelihood that the MNC will continue to exploit its supranational advantages to escape a just burden of taxation, as well as to avoid our efforts to curb monopolies, moderate inflation, and so forth. The MNCs' great power to avoid the desires and rulings of national governments simply by shifting their production or their capital—and thus jobs and tax revenues—to other jurisdictions is an awesome power which cannot go uncured.

If we do not cooperate as governments to make the MNC accountable for its actions, we run the risk that the MNC, world-wide in outlook and understandably self-serving, will continue to promote its own supranational goals, such as profits maximization and market enlargement, with little legal obligation to consider other factors, such as national social goals.

While the conscience of the MNC businessman and public pressure can have some effect on this situation, they are obviously no substitute for an orderly and detailed assessment of the effects of MNC operations and national and international policies and laws designed to deal with these effects.

Very recently, a number of different groups have undertaken studies of the MNC. These include the United Nations, the OECD, the International Labor Organization, the European Commission staff, and the U.S. Congress. Although necessarily fragmented, these efforts should continue to have our strong support and their results should be studied very carefully.

Nonetheless, this question remains: Is not the importance and urgency of the problems associated with MNC operations so great that we ought to be pursuing, right now, a new international agreement and creation of a new institution, perhaps similar to the GATT? Would it not be wise to centralize and focus our efforts regarding the MNC and related problems in a new international body—perhaps a kind of general Agreement on Tax and Investment Policies?

It would certainly be appropriate for the United States and the European Community to exercise leadership in establishing such a new legal framework designed to promote cooperation between countries in resolving problems and disputes not now handled by any one institution or agency of an institution.

Whether this were an entirely new body or an adjunct of an existing organization, it would serve a most useful purpose in centralizing the collection of information and serving as a forum for discussions and consultations on mutual problems and concerns relating to the MNC. It could spell out generally agreed upon principles where possible and aid harmonization of policies where general agreement was not possible.

After all, efforts divided are efforts defeated. And surely it never was prudent for any of the countries of the world to believe that our best defense against the excesses of the MNC was to have more MNCs based in our country than the other countries had. This kind of competition, like unreasonable competition between the less developed countries for MNC investment (which erodes their tax base), can too easily result in the benefit of the MNC itself at the expense of all countries.

Some actions can of course be taken by individual countries on a unilateral basis to moderate the operations of the MNC.

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In the case of the United States, for instance, it is the view of many who have studied this subject that we have encouraged U.S. foreign direct investment and the growth of the MNC, unnecessarily and at least to some extent, by certain provisions of our tax laws and by the operation of the insurance programs of our Overseas Private Investment Corporation (OPIC).

What benefit has all of this brought to the United States? While we know that it has helped enrich some of those associated with U.S. MNCs, we have not even required these companies to supply us with the detailed information on their operations which would give us the opportunity to try to determine accurately whether these tax subsidies by the American taxpayer to the U.S. based MNCs has been of any general benefit to the United States or to other commonly agreed upon goals, such as that of development in the less developed countries of the world.

At the very least, our various national policies should aim at neutrality in our tax policies with regard to investment decisions—especially in the absence of strong evidence that tax subsidies in the form of tax forgiveness for certain kinds of business activities are really efficient in promoting vital national goals. Recent studies by the Joint Economic Committee of the U.S. Congress confirm the view that the tax subsidy has been a very poor means for trying to promote national economic and social goals.

In like manner, our investment policies should be as neutral as possible, avoiding either subsidies or restrictions wherever possible. We are pursuing studies of the effects of these distortions on investment patterns within the U.S. government and also in the OECD. However, a new international institution, such as the General Agreement on Tax and Investment Policies suggested above, could be most helpful in centralizing our efforts and harmonizing investment policies, as well as tax, antitrust, and other policies toward the MNC.

Timely completion of our efforts to reform the international monetary system is, of course, vital to all of this.

THE NEED FOR MORE INFORMATION

Our first need to make us able to come to more prudent policy decisions toward the MNCs and toward foreign direct investment is for more complete and current data on the operations of the MNC. Although what we do know about the size and operations of the MNC is impressive, it is hardly detailed enough for good decision making.

Indeed, we haven't even been asking the right questions about MNC in many cases. In the United States, we've focused our attention on whether MNC operations were good or bad for our employment rate or for our balance of payments. While these issues should be considered, other very serious questions about the effect of the MNC on resource use, market concentration, income distribution, and tax policies simply have not been studied.

For Americans, one of the most disturbing indications that there are serious gaps in our knowledge about the MNC came to light in connection with the massive Tariff Commission Report to the Senate Finance Committee in February of this year. This report, "Implications on Multinational Firms for World Trade and Investment and for U.S. Trade and Labor," is generally considered to be one of our best sources of information on the MNC. Yet, in the letter transmitting this report to the Finance Committee, the Chairman of the Tariff Commission stated:

"... Further, the difficulties imposed by the procedures involved in the use of an unlike data base for the two bench-mark years were increased by the failure of the respondents to answer fully with respect to certain key data. In turn, these difficulties were magnified for the reason that such data were reported to the BEA in confidence and, to prevent unauthorized disclosure, were re-

leased to the Commission in many cases only in the form of incomplete aggregated estimates.

"Data on 1970 employment by the MNCs, for example, were lacking or only partially available for about 600 of the foreign affiliates and for about 30 of their parents in the sample; about a third of the total data reported in 1970 was subject to disclosure considerations which necessitated numerous estimations."

Ralph Nader, the tireless spokesman for the American consumer and taxpayer, has submitted this list of what information MNCs should report to the United Nations for publication in the public interest:

1. Who owns what land, mineral and other resources in each country;
2. The amount, origin and nature of new investment;
3. The firm's total income;
4. Payments received on royalties, patents, licenses and management contracts from foreign affiliates;
5. Ties and interlocks with other financial, industrial and government corporations together with credit and debit relationships;
6. The amount of taxes paid by country;
7. All mergers and acquisitions and their terms;
8. Special governmental incentives to firms to settle where they did, including subsidies and other state-granted privileges and immunities;
9. All patents held and cross-licensing agreements;
10. Wages and benefit levels;
11. Occupational casualty and disease data;
12. Environmental pollution and depository data; and
13. Judicial and regulatory actions and judgments which are of public record.

Others have suggested that, at least for the immediate future, this kind of reporting will have to be done on a confidential basis and only to the government of the country in which the MNC is based—the government which has legal jurisdiction over the company and is able to enforce laws on it.

In any case, it is clear that a start must be made now toward requiring more complete reporting from MNCs. Also, the cooperation which has begun between governments such as the United States and European countries in exchanging this information for legitimate purposes, such as that of taxation, should be expanded. Nearly all governments have much to gain in this regard.

"Laissez-faire" is not an appropriate policy for any business operations having such far reaching effects as those of the MNCs. Any claims to confidentiality or privacy made by the MNCs in this connection will have to be weighed carefully against the very strong public interest in having access to certain of this information.

CHARACTERISTIC OF THE MNC

What we do know about the size and operations of the MNC should give us a healthy respect for its power and its potential.

The MNCs are indeed giants, both in size and in influence on the world economy. Attached at the end of this paper is a table showing the sales, foreign sales and subsidiaries of the 15 largest multinational corporations. (Table 1)

The MNCs are growing twice as fast as the 5 percent per year growth of the world economy. If MNC sales are compared to the gross national products of various countries, 51 of the world's 100 largest money powers are MNCs and 49 are countries.

The MNCs are now doing about \$500 billion worth of business a year. This is nearly one-sixth of the world's production, or more than the gross national product of Japan. Each of the top 10 MNCs has annual revenues larger than the gross national product of two-thirds of the countries of the world.

The foreign investment of MNCs has sur-

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passed trade as the main means of international economic exchange and has blurred national borders. It has caused some economists to literally rewrite their theories about the economic effects of trade and commerce among nations.

Germany apparently has more capital invested today in textile and chemical plants in the State of South Carolina in this country than anywhere else in the world outside of that country. Switzerland's largest corporation, Nestle Alimentana S.A., does 98 percent of its business outside of Switzerland. U.S. MNCs control something like 90 percent of Europe's production of microcircuits.

U.S. MNCs account for something like 50-60 percent of all foreign direct investment. MNCs based in the U.S., the U.K., Germany and France control 80 percent of the foreign operations of MNCs.

The United States has been the traditional home of the MNC. The book value of U.S. direct investment abroad increased from \$12 billion in 1950 to more than \$86 billion in 1971. Americans tend to think of this investment as being mostly in less developed countries. However, Western European and Canadian markets were early targets for this investment and today about 60 percent of this investment lies in these two areas of the world, with about one-third in Europe and more than one-fourth in Canada. Latin American investments account for about one-sixth of U.S. MNC investments.

Nonetheless, it is somewhat unlikely that U.S.-based MNCs will retain their dominance in the world economy. Two hundred non-American firms are now on the Fortune magazine list of the world's 500 largest corporations. European and Japanese foreign direct investment has been increasing rapidly. For instance, Japanese investment abroad has been increasing by more than 30 percent per year in recent years.

Many economists believe that it was not only the health of the American economy after World War II and the American technological lead in certain areas which contributed to the rise of the U.S.-based multinational corporation, but also the overvalued dollar of recent years. This phenomenon made it comparatively much cheaper than it should have been to use dollars to buy up plants and other facilities abroad.

Foreign investment in the United States amounts to less than half of our investment abroad. Further, direct investment, such as in plants and other facilities, amounts to only 28 percent of this investment in the United States, as compared with 74 percent of U.S. investment overseas. Portfolio holdings account for 60 percent of foreign investment here as compared with only 19 percent of U.S. investment abroad.

Our embassies are actively encouraging direct investment in the United States. The more realistic exchange rates which have prevailed recently seem to be a factor in promoting this investment.

Foreign companies are also investing in facilities here to serve their U.S. markets. In some cases, this is also being done to avoid any possible resurgence of protectionist U.S. trade policies. In this connection, the president of the United Auto Workers has expressed his approval of the building of a Volvo plant in the United States which will employ 1,500 workers. However, proponents of the protectionist Burke-Hartke trade and investment bill seem to be voicing as much objection to this kind of direct investment by foreign-based MNCs in this country as they did to the supposed export of American jobs by investment abroad by American-based MNCs.

MNC operations have generally been quite profitable. A Senate Finance Committee study reports that 21 of 30 U.S. multinational firms made higher profits abroad than at home.

Earnings from the foreign operations of U.S.-based MNCs now contribute 20-25 percent of U.S. corporate after-tax profits. Thus, they have become a rather important element in promoting the growth of the U.S. economy.

1965-68 figures for U.S.-based MNCs show returns of 7.9 percent for developed country investment (9.6 excluding petroleum) and 17.5 percent for developing country investment (11 percent excluding petroleum). In this latter category, investment in Asia yielded 34.7 percent return (11.7 excluding petroleum).

There is of course a great difference in return for different investments. One study of return on net worth for 15 U.S. drug subsidiaries in Latin America shows returns ranging from 44.2 percent to 962.1 percent, with the average being 136.3 percent.

NATIONAL RESTRICTIONS ON THE MNC

The phenomenal rise of the MNC has prompted reactions to it. Even without cooperating with one another, nations are not of course completely defenseless against the MNC. Perhaps their first line of defense is to prevent the MNC from investing in their country.

The Andean Group has come up with very stringent regulations on any foreign investment. These are designed to insure that this investment benefits the host country and does not lead to further dependence on other countries. Mexico has adopted new foreign investment laws and Canada—with fully half of her capital assets now owned by U.S. or British-based MNCs—and Australia are also moving in this direction.

Some of the less developed countries are requiring that a certain percentage of the goods sold in a country be produced locally, while a special kind of "investment code" or local participation requirement is now forcibly being put into effect by the Arab oil-producing countries.

Expropriation is another power that the host country retains in connection with the investments of an MNC. Expropriations, especially in Latin America, have been on the rise in recent years. Hopefully, national investment codes will set the ground rules for foreign direct investment more specifically and both expropriations and home country attempts at remedy, such as OPIC, will become much less common in the future.

Most countries of the world, including the United States and the Europeans, seem to be rethinking their attitudes toward the costs benefits of the MNC. This is as it should be. The result has generally been more restrictive policies toward the MNCs, or at least the consideration of this kind of change.

Nonetheless, it would be unfortunate if this change in direction resulted in unnecessarily restrictive policies toward the MNCs, for our goal would seem to be that of harnessing the great potential of these giants and making them responsible to public policy rather than putting them all out of existence.

Two of the most troublesome problems in relation to the MNC are (1) how to assess and enforce a just burden of taxation on the MNC and (2) how to limit the monopolistic oligopolistic tendencies of these giants so that their operations do not have serious adverse effects on competition and on prices in world markets.

TAXING THE MNC

One day this summer the New York Times carried an article noting that the staff of the European Commission, in a working paper, had singled out taxation as the area in which MNCs were in sharpest conflict with host states. The working paper noted that:

Even leaving aside any problems with tax evasion, it is undoubtedly true that domiciliation in various countries, each with its own methods and rates and with independently conducted audits, . . . provides openings for tax avoidance.

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The prices charged in a group's intercompany transactions and fees for industrial property or management can be used as a means of reducing the tax assessment basis or of consistently moving profits to countries with favorable tax systems.

Heads of multinational undertakings freely admit, however, that if tax avoidance is not their *raison d'être* or their main source of profit, nevertheless they do logically operate a tax strategy that best serves the interests of their firm.

Merely by being true to themselves, the multinationals thus come into conflict with the [host] states.

Thus, for instance, a Belgian subsidiary of a U.S.-based MNC might help the MNC take advantage of the lower tax rate in Switzerland by charging a higher than reasonable price for management services rendered to the Swiss subsidiary of the same MNC, thus reducing its own income proportionately—income which would have been taxed at a higher rate than the Swiss subsidiary's income will. Some would call this just another phase of the company's tax planning.

U.S. Finance professor Sidney Robbins was quoted in *Fortune* magazine as saying "there is enormous potential for saving taxes by adjusting prices within the corporate structure" but that the MNC had not yet fully exploited transfer pricing.

U.S. Treasury officials have indicated that they are pleased with the progress which has been made by the United States and Germany in combatting the problem of transfer pricing by setting forth rules to be used by the MNC's for transactions "not at arms length." This problem needs to be pursued, however, to involve the cooperation of other countries.

If the MNC is to pay its fair share of the social costs of its operation, effective means must be worked out by governments to allocate the income of the MNC fairly among the different countries in which MNC subsidiaries may be located. The governments of the world have a great deal of work to do in tightening up their tax rules and their cooperation with one another if this is to be done—cooperation in such areas as the exchange of information, the enforcement of tax laws, the discussion of disputes, and so forth.

While the developed countries have made some good progress in these areas, and in achieving some harmonization of tax laws through means such as the tax treaty and consultations in the OECD, a great deal remains to be done both in this field and with regard to agreements between developed countries and developing countries.

Undue competition for the benefits of MNC home bases or foreign direct investment, as through tax forgiveness provisions or tax holidays, can only hurt the countries of the world by eroding their tax base to the advantage of the MNC. In all of these tax areas—including the consideration of border or value-added taxes in some countries, as well as the possible adverse implications for foreign investment of European steps toward integrating the corporate and personal income tax but allowing tax credit only to domestic investors—a General Agreement on Tax and Investment Policies, with a permanent secretariat, could serve a very useful function.

It has been estimated that the average effective tax rate for the United States on foreign operations of U.S.-based MNCs is 5 percent. This compares with a statutory tax rate of 48 percent for U.S. corporations. While it is perhaps reasonable that much of the taxes paid by a corporation should go to the taxing jurisdiction where the company's operations are located, the United States is obviously quite generous in our tax treatment of foreign source income. For instance, the tax treatment for a company establishing a subsidiary operation in Mexico is likely to be quite a bit more favorable than if

that same company established a new operation in the United States. Also, in case after case, an American MNC has made use of a tax haven operation or certain provisions of the U.S. tax law to escape much of what would have been a fair burden of taxation.

For instance, the U.S. government does not levy a tax on any U.S.-based MNC earnings until they are repatriated to the United States. This "deferral" of taxes allows the company to reinvest earnings abroad indefinitely and, as many tax lawyers point out, to really escape taxation completely.

It is little wonder that representatives of foreign governments express the hope that we will not eliminate deferral, since it encourages re-investment in their countries and produces jobs and tax revenues. But why should we do this when there is no accounting of exactly what benefits there are for the United States from all of this, or for such goals as development in less developed countries?

Even though the U.S. government does not tax foreign source income on a current basis—when earned—we are rather generous in underwriting the losses of U.S.-based MNCs abroad. Generally, 48 percent of any loss incurred, even by an expropriation not covered by insurance, is allowed as an immediate deduction against U.S. tax liability.

Even by most conservative estimates, our tax breaks for foreign operations abroad—deferral, DISC (providing deferral for export-related operations), the Western Hemisphere Trade Corporation allowance (a reduced tax rate for these investments; 34 percent) and others—cost the U.S. government at least \$675 million a year in lost tax revenues.

We may never know how much the U.S. government has forgone in tax revenues in connection with the U.S. investments in Middle East oil, virtually all of which are now being nationalized.

Several committees of the U.S. Congress are now or will soon be taking a very close look at whether these tax subsidies to foreign investment—much of which would undoubtedly be made even if there were no subsidies—are justified. For instance, how can it be argued that we must provide further tax breaks for domestic investment in order to encourage additional capital formation in this country when, at the same time, we are subsidizing the export of our capital, both through a bias in our tax laws in favor of foreign investment and through the OPIC insurance program?

Minimal U.S. tax reform proposals would eliminate deferral and DISC and tighten up the foreign tax credit, which is the U.S. vehicle for preventing double taxation of foreign source income. Other proposals would actually penalize foreign investment by treating the foreign tax credit only as a deduction. The U.S. Treasury has proposed certain revisions in the tax laws relating to allowances for foreign losses and for operations in foreign tax havens.

MNC'S AND THE CONCENTRATION OF ECONOMIC POWER

The second major field of concern regarding the MNCs is the control of their vast economic power. While this is basically a problem of jurisdiction and the application of antitrust laws, the unique and growing economic power of the MNCs is of course at the heart of our concern about the political power of these giant companies.

In this area perhaps more than others the governments of the world have been tardy in acting. There is strong evidence that harm has already been done in the form of lessened competition, higher prices and lower quality, and that now is the time to act to recoup lost ground.

As the attached table (table 2) shows, much of the growth of the U.S.-based MNCs abroad is attributable not to new facilities but to mergers and acquisitions of existing companies. While bigness may mean economic efficiency, it may also mean "improper

advantage of a dominant position," as the Treaty of Rome puts it.

Americans have been pleased at recent reports that the European Commission is aggressively enforcing the European "competition policy." We have not been so happy with European rules on government procurement, which favor European companies and give little regard to price competition. While our own less stringent "Buy American" laws have popular appeal, there is a severe questioning of their prudence with regard to costs and benefits by many U.S. Congressmen and government officials.

Americans have also been pleased at reports that our own government is taking a stronger stand against monopolistic practices in this country. IBM, the world's 6th largest MNC, has been found guilty under U.S. antitrust laws of trying to monopolize the market for peripheral devices for its computers and is likely to pay millions of dollars in treble damages for this. Also the Justice Department's Antitrust Division has been reorganized with a view to more attention to matters involving trade and MNC operations.

Nonetheless, U.S. efforts to apply our antitrust laws to subsidiaries of U.S. MNCs have met with resistance. This is another area in which care must be taken to avoid the MNC's possible escape from any governmental jurisdiction.

In 1970, the OECD warned that, with the rise of the MNC,

"The competitive pressures which have come from the dismantling of trade barriers may gradually weaken and there is a danger that international mergers and growing financial links between large companies in different countries may lessen competition between foreign and domestic suppliers.

"While the growth of multinational corporations and links across national frontiers have been a major factor promoting rationalization and higher productivity, they also provide increasing scope for monopolistic and oligopolistic practices."

Economists such as Stephen Hymer are warning that "direct foreign investment tends to reduce the number of alternatives facing sellers and to stifle the forces of international competition."

Americans tend to think that we have a very competitive "free enterprise" system in this country, whereas the European and Japanese governments permit various cartel arrangements and even support them. This is of course not exactly the situation. The U.S. government provides a great number of de facto subsidies to its industries. However, it is very important that all governments realize and realistically assess the dangers of the MNC as far as reducing competition and raising prices goes. Another serious problem in this area is the control by MNCs of alternative technologies, such as giant oil company control of coal and uranium supplies as well. In view of the implications of this fact, and the existing problem of world-wide inflation, the need for attention to this area cannot be over-emphasized.

General Motors is the largest corporation in the world. It is a multinational corporation, with about one-fifth of its sales abroad.

In its U.S. operations, controlling such auto "divisions" as Chevrolet, Buick, Pontiac, Oldsmobile and Cadillac, it has long enjoyed an extremely dominant position, verging on monopoly, in the U.S. automobile industry, which has become a large segment of the U.S. economy. If it had not been for the availability of Volkswagens, Toyotas, and other small car imports, there would have been no pressure on GM to produce any small cars at all—since small cars yield GM less profit. Therefore, without the competition of the foreign imports, there would be even fewer choices of relatively small cars on the U.S. market today than there are. Further, our gasoline consumption and air pollution problems would be even worse than they are.

Certainly there has traditionally been little real competition for GM from the other members of the U.S. auto industry oligopoly, Chrysler and Ford. It is easy to see how a further take-over by GM or another giant auto company of world-wide auto production could put consumers even further at the mercy—choice-wise and price-wise—of the MNC and the decisions of its corporate managers.

To make matters worse in its U.S. operations, GM also controls mass transit divisions which make buses and other such vehicles. How could one expect much progress in the mass transit area from GM when its bread and butter comes from selling more and bigger cars?

A solution suggested by some is to break GM into its independent component divisions especially in the case of its mass transit operations. Unfortunately, this suggestion has not been accepted by many government officials.

Yet, given the resource limitations of this plant, which are daily becoming more and more obvious, can this government and the other nations of the world afford any longer not to cooperate in making vast vested business interests such as GM accountable to the public good?

MNC'S AND MONETARY DISRUPTIONS

The Tariff Commission report cited above notes that at the end of 1971 private corporations controlled some \$268 billion in short term liquid assets, with the lion's share controlled by multinational firms and banks headquartered in the United States. This was "more than twice the total of all international monetary institutions in the world at the same date."

The massive economic power of the giant MNCs is reflected in their holdings of short-term liquid assets. Even unintentionally, a movement of only a small fraction of these

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holdings from weak currencies to stronger ones could create a real crisis in the international monetary system.

This fact of life has made even more urgent the reaching of an early agreement on a more flexible international monetary system with adequate means for financing large short-term capital flows among countries.

MNC'S AND DEVELOPMENT

With the current backsliding among the rich countries of the world in their commitment to aid the developing countries, private foreign investment has assumed a new importance for the developing nations.

There would seem to be further steps the United States and other countries could take to promote the kind of investment in developing countries which will really be of benefit to those countries as well as to the MNC, such as the huge new agribusiness project under way now in Senegal. Thus far, some of the tax and aid steps the United States has taken with regard to development have not been very selective in their effect. The U.S. government and private businesses as well could be helpful to developing countries by providing technical assistance to these countries. One area that would seem to be ripe for action is assistance to representatives of these countries in the mechanics of negotiating with the skillful representatives—lawyers, accountants, economists, etc.—of the MNC. This kind of aid could benefit the MNC, by reducing suspicions and the likelihood of future action against foreign holdings, as well as the host country.

Like the area of antitrust, the role of the MNC in promoting development is a sorely neglected area. Narrowing the income gap between nations is absolutely essential if any of us are to enjoy peace and prosperity in the future. It would be most unfortunate if we are not able to harness the potential of the

MNC for promoting development, rather than its potential for exploiting low wage rates and low environmental standards to its own advantage.

NEED FOR ATTENTION AND ACTION

As has been emphasized throughout this paper, the magnitude and significance of the issues relating to the operations of the multinational corporation are far too great for us to do anything but turn our immediate attention to better cooperation among our countries to resolve these issues.

A good way to start on this would be for us to set a date for an international conference on the creation of a General Agreement on Tax and Investment Policies.

TABLE 1.—THE TOP 15
MULTINATIONAL COMPANIES

Company	Total 1971 sales [billions of dollars]	Foreign sales as percentage of total	Number of countries in which subsidiaries are located
General Motors	28.3	19	21
Exxon	18.7	50	25
Ford	16.4	26	30
Royal Dutch/Shell	12.7	79	43
General Electric	9.4	16	32
IBM	8.3	39	80
Mobil Oil	8.2	45	62
Chrysler	8.0	24	26
Texaco	7.5	40	30
Unilever	7.5	80	31
ITT	7.3	42	40
Gulf Oil	5.9	45	61
British Petroleum	5.2	88	52
Philips Gloeilampenfabrieken	5.2	NA	29
Standard Oil of California	5.1	45	26

Data: United Nations.

TABLE 2.—187 U.S. MULTINATIONAL CORPORATIONS: METHOD OF ENTRY INTO HOST COUNTRY
[Number of affiliates and percentage]

	Total affiliates			Acquisitions ¹			Acquisitions as percentage of total		
	Pre-1946	1946-57	1958-67	Pre-1946	1946-57	1958-67	Pre-1946	1946-57	1958-67
Developed market economies:									
Canada	537	414	639	158	187	370	29.4	45.2	57.9
Western Europe	1,105	693	2,754	256	194	1,193	23.2	28.0	43.3
Southern hemisphere ²	152	185	511	30	57	240	19.7	30.8	47.0
Japan	17	43	198	5	17	53	29.4	39.5	26.8
Developing countries:									
Western hemisphere	508	735	1,309	110	157	477	21.7	21.4	36.4
Asia and Africa ³	103	176	491	17	23	109	16.5	13.1	22.2
Total	2,422	2,246	5,898	576	635	2,442	23.8	28.3	41.4

¹ Acquisition refers to purchases by U.S. corporations of domestic companies previously under local control.

² Including Australia, New Zealand, Republic of South Africa, Rhodesia.

³ Excluding Rhodesia.

Source: Center for Development Planning, Projections and Policies of the Department of Economic and Social Affairs of the United Nations Secretariat, based on James W. Vaupel and Joan P. Curhan, "The Making of Multinational Enterprise" (Boston, 1969).

REMARKS OF REPRESENTATIVE G. V. MONTGOMERY AT LAUNCHING OF U.S.S. SPRUANCE

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. LOTT. Mr. Speaker, on November 10, 1973, a historical event occurred at Pascagoula, Miss. The first of the proposed 30 *Spruance* class DD-963 destroyers was launched. This multipurpose destroyer, with its sleek lines, vindicated the supporters of the "shipyard of the future." As it touched water by modern launching techniques, Congressman G. V. "Sonny" Montgomery delivered the principal address and very succinctly put the launching in its proper perspective.

REMARKS OF REPRESENTATIVE G. V. MONTGOMERY

Thank you, Admiral Zumwalt, for that very generous introduction. It is not often one has the honor and privilege of being introduced by the Chief of Naval Operations. It has been my good fortune on several occasions to talk with Admiral Zumwalt during appearances before our House Armed Services Committee and in less formal situations. I have always found him to be a man of immense capabilities and knowledge. One trait exhibited by you, Admiral, that is especially appreciated is your willingness to always speak your mind and let the chips fall where they may. You have been an inspiration to the officers and men serving under you and they should be grateful for the many changes you have instituted on their behalf.

Congressman Lott, Admiral Kidd, Admiral Johnston, Admiral Payne, Mr. O'Green, Mr. Marandino, Mrs. Spruance, Mrs. Bogart, my fellow Mississippians, ladies and gentlemen,

Before beginning I would like to express on behalf of Senator John Stennis his very deep regrets that important business pending before the Senate and especially the Senate Armed Services Committee prevented his being with us today. He really hated to miss this important event.

This occasion has been billed as the launching of the first of a new fleet of multi-mission U.S. Navy destroyers. Actually, it is much more than that. This event represents the beginning of an entire new naval concept to preserve the integrity of the high seas and ensure the defense of the free world. It also represents a revolutionary concept in shipbuilding made possible by the dedication and hard work of my fellow Mississippians and Alabamians that will result in a savings for the taxpayers over the long run.

Equally as important, this launching reminds us of the many men and women who fought bravely and against superior forces at times during World War II in order that the free world might remain free.

Mrs. Spruance, I believe your late husband

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would have been very pleased to have known that the first of the DD-963 class of destroyers is being named in his honor. In fact, the entire complement of 30 ships will be known as the Spruance Class. As a former commander of the first true destroyer, the *USS Bainbridge*, Admiral Spruance might be a little surprised to find that his namesake is twice as long as the *Bainbridge* and can displace 7,800 tons fully loaded as compared to a loaded displacement of only 590 tons for the *Bainbridge*.

Of course, the *USS Spruance* has many other firsts. As I mentioned earlier, it is a new class of Navy destroyers developed to maintain America's strength on the world seas and deter war into the 21st century. This will be the first major combat ship in the U.S. Navy to be powered with four marine gas turbine engines making it possible to travel at speeds in excess of 30 knots. The *Spruance* will have the most advanced surface ship sonar operational in the Navy today. In addition to its major responsibility of antisubmarine warfare, this ship can be assigned to bombard shore positions, support amphibious assaults, escort military and merchant ships convoys, perform surveillance and trailing of hostile surface ships, establish blockades and undertake search and destroy operations. This class of destroyer will certainly strengthen our position in keeping the sea lines open for much needed oil coming to the U.S.

Of importance to the cost conscious taxpayers of America is the fact that Litton technology and expertise produced a ship that will require a crew of only 250 officers and enlisted men. This is less than 80 percent of the crew required for modern combat ships of similar size and lesser capability. The reduction in personnel alone is expected to save the Navy more than a billion dollars at today's prices during the life of these new ships.

Now have the creature comforts of the men assigned to the *Spruance* and future DD-963 destroyers been forgotten. The ship is almost self-maintaining and the living and recreation quarters for the men will be the most modern and comfortable available, including carpeting and pleasing color schemes.

Much of this must sound like a scene from a Jules Verne tale or some kind of miracle ship. It is not science fiction, but it is part of a major nationwide defense effort.

As noted by Ned Marandino, from the time that the smallest component part was produced to the time of launching, people from 35 States, the District of Columbia and 2 foreign countries have had a part in producing this vessel.

Even though Ingalls has the total responsibility of producing these new destroyers, many of the component parts were subcontracted to firms throughout the Nation. So it's really not a completely true statement to say that Ingalls Shipbuilding was awarded the contract for the Spruance class of destroyers. The contract was actually awarded to American industry under the direct responsibility and supervision of Ingalls, and I can't think of a better company to handle this challenge.

Let me digress for a moment to comment further on Ingalls Shipyard in view of the unjustified criticism that has come its way.

Most of the critics have never been to Ingalls shipyard and as far as I know have never even taken the time to discuss their charges with any of the officials of Ingalls or Litton.

I don't deny anyone the right to make any charges they want to or bemoan the fact that Ingalls received the contract for the DD-963 destroyers and LHAs. But I am sick and tired of political office holders picturing our defense contractors as highway robbers. Nor do I appreciate the fact that they play on the lack of knowledge of the American taxpayers when they know full well that only a very few people fully understand the com-

plexities of military procurement. The contracts held by Ingalls and its subcontractors throughout America are a perfect example of an extremely complex defense agreement.

While making these statements, I full well realize that Ingalls has experienced problems in meeting part of their contract on the LHA. But these have not been insurmountable problems and are problems that can be expected on the shakedown cruise of any new facility such as this new and modern shipyard.

In fact, the *USS Spruance* is five and one-half months ahead of the contract milestone for launch.

In conversations I have had with Mr. O'Green and Mr. Marandino, they have made known to me their concern and the concern of their company. But what is important is that they have taken steps to solve the problems of the past and improve on the efficiency of the yard.

In addition to the leadership being provided by company management, I think it is also important to stress the dedication of the 18,000 person labor force. They are a true example of the hard work and dedication that American industry has come to expect of Mississippians, and those from neighboring states.

These men and women are not so many time cards that have to be punched each day. They are flesh and bone with an emotional involvement in their craftsmanship. I would match their abilities with the work performance of people in any other State in the Nation. I am proud of them and I am proud of the role they are playing in our Nation's defense.

I would like to quote a part of a statement made by Senator John Stennis concerning the LHA and DD-963 contracts following an on-the-ground inspection made by the Senator last December. I quote:

"I want to emphasize that these contracts come under a new method of building ships. There is some trial and error in it, there always is in new things.

"There may be some added costs—there always is in things that are new. But I see clear evidence the Ingalls is not only building these ships, but they are going to demonstrate to the American people and to the world that this is a sound way to build ships. I think it will prove to be the best way to build them at the least cost. These contracts are going to be carried out in such a way as to clearly prove that this yard and this system is a great asset to the Navy and therefore to the Nation—the American people—and to the entire free world."

Since no one, absolutely no one, is able to question the objectivity of Senator Stennis in matters dealing with military procurement, I feel his statement is ample evidence that Ingalls and Litton are performing in a manner consistent with their 35 years of outstanding shipbuilding experience.

In closing, I would like to elaborate briefly on one of the original points I made. That is this launching represents the beginning of an entire new naval concept to preserve the integrity of the high seas and ensure the defense of the free world.

I might point out, Admiral Zumwalt, my comments will be obviously familiar to you since they closely parallel the very strong testimony you gave before the Senate Armed Services Committee this past April. I am pleased that we share mutual views on national defense and naval power.

In an era when the perception of national power will carry great weight at the negotiating tables of the world, the military position of that national power must remain strong.

Our economic and political interest demand that we maintain a posture such that no enemy will question our ability to protect the vital sea lines of our commerce.

Nor must our enemies or adversaries question our resolve to support our allies and

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their sovereignty or our intention to work for world peace from a position of benevolence and strength. To achieve these goals we must have a modern naval force of adequate size and composition to offset the growing capabilities of our major potential adversary—Russia.

Detente with Russia and China is a constructive beginning toward a generation of world peace. But the words on paper outlining detente must be backed-up by the men and equipment signifying our determination not to be bullied into a position of weakness. Therefore, we must have the national will to provide these men and equipment within the financial capabilities of the United States. For by speaking from a position of strength, we will be able to translate the pledges of peace into the realities of peace.

The ship we launch today meets part of our requirements for men and equipment to make detente work.

Mrs. Spruance, I am truly sorry that I never had the opportunity to meet and know your husband personally. I know that he was a great officer and a great American and most of all a great husband and father. Just as Admiral Spruance fought to regain freedom in World War II, the *USS Spruance* will play a leading role in preventing World War III and maintaining America's position as a strong and free nation.

ROBERT EWING THOMASON

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. PICKLE. Mr. Speaker, any person who has served in Congress in the depression years and the years that immediately followed, knows that Robert Ewing Thomason served the Congress with great distinction. I believe he was considered one of the top 10 Congressmen in the United States, and his achievements were so outstanding and his abilities so recognized that he was appointed Federal judge.

Over the years, I have heard many stories about this outstanding jurist. I have read his autobiography, and it is a heartwarming American story that proves that every young man has a chance if he applies his abilities.

As a Member of Congress, I have also heard many stories about this great judge, and I have pointed this out to many audiences in my district. The story goes that when a critical vote presented itself on the floor of the House, Ewing Thomason would rise and remind his colleagues of the difficult vote just a few minutes off. Then he would say:

The leaders of the Congress on this committee tell us that this is a good bill and that it is needed. The leadership of the House has likewise examined this bill carefully and have given it their approval. I am not an expert in this particular field, and I do not know all the facts related to it; but in a vote like this, I am going to put my faith in my committee and my leadership. I believe we reach a point in government where we must believe in somebody or someone. Because I do believe in my leaders, I believe also in my country, and though I may have doubts, I am going to vote for the bill because I want to believe in my country.

Mr. Speaker, in this day and time, that story must be told over and over. We must believe in someone. We must believe

in our leaders. We must believe that proper study has been given. The words of Ewing Thomason were true then and are true today.

When Judge Homer Thornberry was sworn in as U.S. district judge in El Paso, I flew to that happy occasion where Judge Thomason presided. It was obvious that everyone in the courtroom and in El Paso loved this man. He was pleasant, witty, thoughtful, and deeply philosophical. He was a great American.

PEOPLE-TO-PEOPLE DIPLOMACY— KEY TO WORLD UNDERSTANDING

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. ARCHER. Mr. Speaker, the great advances in communication and travel have indeed made the world smaller. The increased contact between the American people and citizens throughout the world has led to an effective form of diplomacy. This "new diplomacy" was emphasized in a recent speech delivered to the Rotary Club of Houston by Mr. Alan A. Reich, Deputy Assistant Secretary of State for Educational and Cultural Affairs. I enter this excellent talk in the RECORD at this point:

PEOPLE-TO-PEOPLE DIPLOMACY—KEY TO WORLD UNDERSTANDING

(Remarks of Deputy Assistant Secretary of State for Educational and Cultural Affairs
Alan A. Reich)

Diplomacy has gone public. Foreign relations is no longer the exclusive domain of the professional diplomat. In almost every country of the world, foreign affairs communities, in varying degrees, have opened their ranks to public participation. It is a privilege to meet with the Rotary Club of Houston, which, I understand, is the largest Rotary Club in the world, because you play an important role in Houston's international outreach and leadership.

I shall talk today about the importance of people-to-people diplomacy, the interest of the State Department in furthering it, and comment on the significant contribution of your Rotary work.

Many Americans ask why we should concern ourselves with international problems when we have so many serious domestic concerns demanding attention. There are several good reasons for our getting "involved with mankind": First of all there is common charity. Then there is a sense of common humanity. In addition, there is common sense. Modern transportation and communications, not to speak of modern weapons, have brought our neighbors' problems to our doorstep. We have no choice but to become involved, because if the problems next door are ignored, they soon become our problems.

Poverty, illiteracy, hunger and disease recognize no nation's borders and travel under no country's passport. It is not a matter of the world's poor getting poorer while the rich get richer. The poor are getting richer, too. But their lot is improving so slowly that the difference—the gap—between rich and poor is widening, not closing. Unless some way can be found to reverse this trend, those who are better off must one day suffer the horrible consequences. Neither we nor our children will have the luxury of working on our domestic problems if we do not succeed in bringing about a climate of peaceful cooperation throughout the world during the next

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few years. Whether we cooperate with our international neighbors because it is good, or right, or necessary, we must get on with it while we are improving the quality of life at home. We can also take some solace in knowing that the job is not ours to do alone. Many other nations share with us the desire and the capacity to help close this gap between the have and have-not peoples of the world. The facts of international life today are that common sense and common survival dictate common action to solve common problems.

The geometric increase in citizen involvement in world affairs has special significance for the diplomat. It is a fundamental, irreversible, and irresistible influence for peace. Nations are less likely to deal with their differences in absolute terms when their citizens communicate and cooperate with each other freely and frequently.

When people-to-people bonds and communications networks are more fully developed, there will be a greater readiness to communicate, to seek accommodation, and to negotiate. The likelihood of international confrontation will diminish, and prospects for peaceful solutions will be enhanced. This rationale governs the interest of the State Department in the furtherance of meaningful people-to-people exchange.

DEPARTMENT-SPONSORED EXCHANGES

When you think of the State Department's conduct of our international affairs, the exchange-of-persons program does not come immediately to mind. It is, nonetheless, a significant and important activity of the Department. The Bureau of Educational and Cultural Affairs works constantly and quietly to improve the climate for diplomacy and international cooperation. The exciting, challenging job of the Bureau is to utilize its modest funds and manpower to reinforce the work of American individuals and organizations who want to help construct, a little at a time, the foundation of better relationships with the rest of the world. It also coordinates, as necessary, the activities of other government agencies with international exchange programs in substantive fields such as health, education, social welfare, transportation, agriculture, military training, and urban planning.

Having come not too long ago from the business world, I have a great appreciation for what is being done for an investment of some \$45 million annually. There are several major elements of the Department's exchange program:

The Fulbright-Hays exchange program over 25 years has engaged more than 100,000 people in academic exchanges. Annually, some 5,400 professors, lecturers, and scholars are exchanged to and from the United States.

The international visitor program brings to the United States about 2,000 foreign leaders and potential leaders annually for one- or two-month orientation programs. This includes nonacademic leaders and professionals, from Cabinet officers to journalists. One out of every 10 heads of state in the world today has been a State Department exchange visitor, as have some 250 Cabinet ministers of other nations.

The Department of State sends abroad annually several leading performing arts groups and athletic stars; for example, in the past year under this program the San Francisco Symphony Orchestra and the New York City Ballet toured the Soviet Union; one of America's leading popular singing groups, the Fifth Dimension, performed in Eastern Europe; Robert Lee Elder and the Morehouse College Glee Club visited Africa; and the United States basketball and swimming teams just returned from tours to the People's Republic of China.

Some 150 prominent U.S. lecturers went abroad for six-week lecture tours in 1972.

Nearly 500 United Nations specialists selected by their home countries and funded by the U.N., are programmed annually by

the State Department through 30 other government agencies for six- to nine-month training programs in the United States.

The commitment to these programs is substantial. They are administered, in cooperation with thousands of volunteers and many private organizations, by Bureau personnel in Washington and at our reception centers in Honolulu, Miami, New Orleans, New York, and San Francisco. Abroad they are administered, in cooperation with the United States Information Agency, by the cultural affairs officers in our embassies. In 50 countries there are binational commissions which have responsibility for supervising the academic exchange program.

The State Department's small but catalytic exchange-of-persons program with 126 countries stimulates constructive communication among leaders and future leaders in many fields here and abroad. It creates durable reservoirs of information, understanding, and empathy. It develops rewarding and lasting contacts of key people of other countries with their counterparts here.

THE CONTRIBUTION OF SERVICE ORGANIZATIONS

In government and in the private sector, there is much to be done. Service organizations, such as Rotary International, through its people-to-people programs, are doing an outstanding job. Rotary's international youth exchange, involving 700 youths throughout the world annually, is a model program with considerable impact.

The Rotary Club matching program, which links Rotary Clubs in 150 countries with counterpart clubs for direct Rotarian-to-Rotarian relationships and shared service projects, is equally impressive. Rotary's world community service program has helped people throughout the world. Through Rotary International's small business clinic program, many individuals in less developed countries have been helped to self-sufficiency and community contribution.

Two other elements of the overall Rotary International outreach are especially meaningful. First, the mere existence of Rotary joining 750,000 leaders around the world is a potent force for mutual understanding. As your new Rotary International president, William C. Carter, stated at the Lausanne Congress last month, "No country or empire in the world ever had in its embassies and consulates, so many outlets as Rotary International has in its 15,659 clubs in 150 countries and geographical areas of the world." Rotary is made up of leaders from all segments of society; this fraternal relationship—professional to professional, businessman to businessman, and so on—generates good will among millions throughout the world.

CRIME CONTROL NO. 7

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. LANDGREBE. Mr. Speaker, far more than the police, who in most instances can act only after a crime has been committed and they have been notified by the victim or witnesses, an armed citizenry acts as a deterrent to crime and a force for the apprehension of criminals. Should guns be confiscated from private citizens, this enormously effective peacekeeping force would be gone, and, in all probability, a wave of crime would wash over the Nation. In order to illustrate the law-enforcement capability of privately owned guns, I ask that this article from the *Tennessean*, "Armed Neighbors Thwart Burglary," be printed in the RECORD.

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The article follows:

ARMED NEIGHBORS THWART BURGLARY
(By George Watson Jr.)

Three burglars discovered yesterday that it doesn't take police to cause them trouble.

A group of neighbors—all armed with guns—also can be bad news.

Mrs. Nancy Cooley, of 4020 Bernard Road, Joelton, said she and her husband, Flem, had gone to work early yesterday when three men pulled into the driveway of their home and began their work.

"Mrs. Dot King, my nextdoor neighbor, saw them carry out my color television, a black and white TV, a radio and vacuum cleaner," said Mrs. Cooley. "Mrs. King then called my husband and Carl Tinsley, a neighbor who runs a service station up the street."

While the burglars went about their work, about 9:30 a.m., carrying the merchandise out of the Cooley home and putting it into their car parked in the driveway, Tinsley—armed with his pistol—headed to the Cooley home in a wrecker from his service station.

"As the men came out of the driveway and started up the street, Tinsley and another man blocked the street with their wrecker and so the men started backing down the street," explained Mrs. Cooley.

Mrs. Cooley, who pointed out that she lives on a deadend street, said the three men then "threw out all the merchandise over a hillside at the end of the street."

Meanwhile, a number of other neighbors armed with pistols and shotguns came up to the wrecker to join Tinsley and one of his workers.

"When the guys started back up the street," said Mrs. Cooley, "all my neighbors held their guns on them until the police arrived."

ALBERT IS AGAINST POTENTIAL COUP

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. DERWINSKI. Mr. Speaker, in my judgment, the deliberate delay in the confirmation of Vice Presidential-designate GERALD FORD which has been the result of political thinking of the majority party in both Houses, is clearly against the public interest.

A very interesting theory as to the reason for this delay is the subject of an article by columnist Frank van der Linden which I noted in the October 14 issue of the South Harvey Illinois Star Tribune. This article was written a month ago yet some of the points are still very pertinent.

The article follows:

ALBERT IS AGAINST POTENTIAL COUP

(By Frank van der Linden)

WASHINGTON.—House Speaker Carl Albert is moving vigorously to block a scheme proposed by radicals in his own Democratic party to make him President of the United States by a Congressional coup d'état.

The Oklahoma Democrat is appalled by the idea that the Democrats controlling Congress could place him in the White House by first impeaching President Nixon before there could be a vote on confirmation of Vice Presidential-designate Gerald Ford.

It is not an entirely preposterous plot. Since the forced resignation of Vice President Spiro T. Agnew on October 10, the Speaker has been next in the line of succession to the Presidency. He will remain there as long as Ford's nomination is stalled in committee; and any tragedy befalling the

President would make Albert automatically the next chief executive.

The Democratic majority of the House Judiciary committee is taking its own sweet time about considering Ford, and the Senate Rules committee isn't moving much faster. Now the same House committee is driving ahead with a stack of resolutions to impeach the President, making the most of the nation-wide roar of outrage that ensued when Nixon fired special prosecutor Archibald Cox.

Albert has publicly cautioned the Judiciary panel against holding Ford as a "hostage" while the impeachment campaign rolls on. But Chairman Peter W. Rodino, the finest flower of the Newark (N.J.) Democratic machine, is under intense pressure from Nixon-haters, in Congress and out, to "get" Nixon first and let Ford wait.

Rodino won re-election last year against two black opponents in his district, where white voters have been reduced to a minority. He is hearing threats that a strong black candidate will try to take his House seat away next year unless he goes along with the impeach-Nixon drive, which is being pushed by the Americans for Democratic Action, the Democratic Study group in the House, and allied groups.

So Rodino, although anxious to co-operate with the Speaker's efforts to cool off the radicals, is only a figurehead carried along by the violent partisans on his own committee. Rep. Tom Railsback, Illinois Republican on Judiciary, has protested that the Democrats on the panel are pressing their probe of "Watergate-related" matters and other issues concerning "the President's conduct" without bothering to consult the minority members.

The Speaker, who was born 65 years ago at Bug Tussle, a hamlet in the "Little Dixie" region of Southeast Oklahoma, has no desire to be President. He has a heart ailment, and is unhappy in his role as "the man only a heartbeat away from the Presidency." In times past he has had a problem resulting from too many Washington cocktail parties.

How could his health stand up to the pressures of being the commander-in-chief in a confrontation with the nuclear power of the Soviet Union? How, for instance, could he meet with the National Security council at 3 o'clock in the morning, as Nixon did when he placed the U.S. armed forces on the alert to checkmate Soviet troops from intervening in the war in the Middle East?

The radicals pushing Albert for President don't care about that problem. Once he is in the White House, he can nominate some good liberal—perhaps Sen. George McGovern of South Dakota—as his Vice President and then resign. Thus the Democrats, although overwhelmed by Nixon in the 1972 election, would seize the White House at last.

BAN THE HANDGUN—I

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. BINGHAM. Mr. Speaker, day after day the press reports felonious deaths by firearms. Most of these senseless homicides could be prevented by the adoption of strict gun controls. The New York Times on Sunday, November 4, included three such instances, the New York Post two. The clips follow:

[From the New York Times]

FAMILY DISPUTE ATTRACTS GANG; ONE DEAD
TWO SHOT

(By Linda Greenhouse)

A family dispute in the South Bronx early yesterday morning spilled out into the street

and ended with one man shot to death, another wounded, one 16-year-old gang member shot by a police officer, and three gang members under arrest for murder.

The police were looking for four other youths, reportedly members of the Black Stage gang, and trying to reconstruct the events that led the gang members to shoot at two men as they stood arguing in front of 607 West 140th Street.

According to the police, the dead man, Frederick Scott, 25 years old, of 1305 Amsterdam Avenue, had gone to the West 140th Street apartment of his sister, Minnie LaGrath, to try to make peace between her and her estranged husband, James.

ARGUMENT STARTS

At the apartment, Mr. Scott and Mr. LaGrath found Mrs. LaGrath's boyfriend, Joe L. Saunders. The three men started arguing, and soon after midnight Mr. Scott and Mr. Saunders went outside.

There, according to the police, they became involved in a dispute with seven teenaged gang members. Mr. Scott was shot fatally in the heart and Mr. Saunders was wounded slightly in the back.

Witnesses to the shooting hailed a passing police patrol car. The officer, Thomas Murray, chased three youths into an alley. When one of them, John Martin, 16 years old, of 1910 Marmion Avenue in the Bronx, allegedly made a threatening gesture, Officer Murray fired twice, wounding the boy in the back. He was admitted to Jacobi Hospital.

Officer Murray arrested the wounded youth and two others, Lawrence Brown, 16 years old, of 614 East 140th Street in the Bronx, and John Johnson, also 16, of 285 Cypress Avenue. All three were charged with homicide.

[From the New York Times, Nov. 4, 1973]

FROM THE POLICE BLOTTER

One man was shot and killed and another wounded in the attempted holdup of Club 83, 151 Lenox Avenue, near 118th Street. The police said the dead man, James Thomas, 43 years old, of 559 West 158th Street, was in the restaurant when two men wearing ski masks and brandishing pistols entered and announced a holdup. Mr. Thomas struggled with the gunmen and several shots were fired, one of which struck him in the head, killing him instantly. Another shot wounded Alexander Brown, 30, of 987 Union Avenue, the Bronx, in the abdomen. The police said Mr. Brown was holding a .45-caliber revolver. He was taken in custody to Harlem Hospital, where he was listed in critical condition. . . . Donald Moses, 26, of 221-43 114th Road, Cambria Heights, Queens, allegedly shot his wife, Marlene, in the chest with a shotgun, then held off the police for more than two hours before surrendering under a tear-gas attack. His wife was reported in fair condition at Queens General Hospital.

[From the New York Post]

NEW JERSEY MAN FOUND SHOT TO DEATH
ON HIGHWAY

ALLAMUCHY TOWNSHIP, N.J.—The death of a man found with bullet holes in his head on a highway here was under investigation today.

State Police said they identified the man through finger-prints as Dominick Reo, 48, of Paterson.

BRONX STORE OWNER KILLED IN A HOLDUP;

SUSPECT IS SEIZED

The owner of a dry cleaning business near the Bronx Zoo was shot and killed early yesterday morning in an apparent holdup attempt.

The two gunmen, who were waiting for their victim when he arrived to open his store at 4:45 A.M., fled after the shooting. Yesterday afternoon, detectives of the Ninth Homicide Squad said they had one suspect in custody.

The dead man was Joseph DiGioia, 47 years old, of 4160 Digney Avenue in the Wakefield section of the north Bronx. He had operated a dry cleaning business at 2143 Prospect Avenue, at East 181st Street, for about five years.

The police said he had been shot once in the leg and twice in the head and that he might have been tortured with his own knife, which was found at the scene.

The police found Mr. DiGioia's body in the middle of the store, but also found blood at the back of the room near a hidden safe. They theorized that the gunmen had tried to force Mr. DiGioia to open the safe and that he had refused.

A woman in the apartment house next to Mr. DiGioia's store said that crime had been increasing recently and that there had been four robberies in her building in the last month. Asked for the name of the neighborhood, she replied: "I don't know, I just call it a bad neighborhood."

Mr. DiGioia, along with his wife, 16-year-old stepson, and 3-year-old daughter, had moved to Digney Avenue from the South Bronx about a year ago. Their new home was the top floor of a two-family house in a pleasant neighborhood near the Westchester county line.

A neighbor there said that violence was virtually unknown in the area and that everyone on the street was shocked and saddened by Mr. DiGioia's murder.

UTILITY SYSTEM

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. TEAGUE of Texas. Mr. Speaker, the Johnson Space Flight Center in Houston, Tex., has undertaken an important project in the conservation of energy. Applying the expertise of the national space program, this project is designed to provide new means to conserve and utilize resources in our daily living. Because of the importance of this article, I am including it in the RECORD for the review and consideration of my colleagues and the general public:

NASA TO DEVELOP AND TEST INTEGRATED UTILITY SYSTEM

Next spring the Johnson Space Flight Center in Houston will hook up the first integrated utility system. The laboratory scale test system is designed to assess the feasibility of large-scale modular integrated utility systems. These systems could serve highly concentrated population centers, such as hi-rise residential and commercial buildings and high-density housing projects.

The laboratory model, called MIST (for modular integrated system test), is being built by the Hamilton Standard Division of United Aircraft Corp. under a \$700,000 contract awarded by the National Aeronautics and Space Administration.

NASA and other government agencies, such as the Atomic Energy Commission and the Environmental Protection Agency, are cooperating in a broad-scale project with the Department of Housing and Urban Development to develop and promote the concept of a modular integrated utility system (MIUS).

Such systems envision the integration of water supply and sewage processing, solid-waste incineration, electric power generation and heating and cooling from a self-sustaining network. Utility subsystems would be mechanically integrated in modules that could function independently of area-wide

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municipal utility networks and with a minimum of external energy requirements.

MIUS has evolved as the ultimate or inevitable result of separate projects backed by the various agencies involved where waste treatment has been integrated, say, with heat generation. HUD recently began operation of a Total Energy system plant in Jersey City, N.J., which will provide electricity, heat, hot water and air conditioning for a planned community project embracing some 488 residential apartment units, schools and commercial facilities. Experience gleaned from the Jersey City demonstration will be fed into the more ambitious MIUS effort.

HUD officials emphasize that the MIST unit will not be a prototype MIUS. It is a small-scale effort to integrate the necessary hardware and mechanical processes to provide the desired outputs at a level sufficient to meet the needs of about 100 people.

The system is to be installed in a laboratory at the Johnson Center where the necessary typical inputs are available, such as solid and liquid wastes. As tests progress, new parameters will evolve for a second phase, the actual design, construction and demonstration of a full-scale MIUS.

Government engineers involved in the MIUS project have long held the idea to be technologically feasible. HUD's MIUS project director, Jerry Leighton, pointed out that no new technology is needed for MIUS. Each element within the conceptual network has already been proved feasible.

Leighton came to HUD from NASA where he had been a project engineer on the Apollo program. He noted that the challenges arising in the Apollo project did not involve the development of new technology. Like MIUS, the Apollo project was the integration of existing technology.

Government officials are understandably elated about the MIUS concept. By utilizing energy generated from waste, MIUS would make minimal demands on outside energy resources. At the same time MIUS will consume wastes that might otherwise pose an environmental pollution threat.

Economists point out that even if MIUS proves to be a technological success, the biggest hurdle to overcome in realizing the benefits will be in commercializing the concept. To be commercially feasible, MIUS will have to overcome both regulatory and financial barriers built into the existing public and investor-owned utility systems.

RECOMMIT THE LABOR-HEW APPROPRIATIONS BILL TO OBTAIN EQUITY FOR TITLE I CHILDREN

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. QUIE. Mr. Speaker, as I have indicated, I intend Tuesday to offer a motion to recommit the Labor-HEW conference report to conference with instructions to return to the House with a better formulation for the distribution of funds under title I of the Elementary and Secondary Education Act. Specifically, I will ask that the language contained in amendment 32 in the conference report be deleted and that the conferees be instructed to report back a bill giving local school districts 90 percent of the amount they received in 1973 and permitting local school districts to receive as much as they are entitled to providing that States in the aggregate not

receive more than 120 percent of the amounts they received in 1973.

This change in the formula will permit the changes in population which have taken place since 1960 to be more accurately reflected both between States and within States. For the interest of Members, I am reproducing below a table which compares how much each of several major counties would receive under the provision in H.R. 8877 compared with how much they would receive under the provision contained in my motion to recommit.

TITLE I — ESEA

[All figures are in thousands of dollars]

County and State	Fiscal year 1973	H.R. 8877 provision	Quie proposal
Mobile, Ala.	\$1,876	\$2,158	\$2,356
Maricopa, Ariz.	3,557	4,090	4,226
Los Angeles, Calif.	45,181	51,958	55,156
San Diego, Calif.	5,505	6,331	7,348
Denver, Colo.	3,256	3,745	3,942
New Haven, Conn.	3,459	3,978	4,187
New Castle, Del.	1,481	1,703	1,899
Dade, Fla.	3,619	4,162	5,132
Fulton, Ga.	3,750	4,313	4,636
Cook, Ill.	43,938	50,529	56,590
St. Clair, Ill.	3,722	4,280	4,370
Lake, Ind.	3,920	3,358	4,289
Polk, Iowa	1,221	1,404	1,612
Sedgwick, Kans.	1,706	1,962	2,361
Jefferson, Ky.	3,197	3,676	4,434
Orleans, La.	4,305	4,952	6,845
Cumberland, Maine	943	1,084	1,274
Prince Georges, Md.	1,649	1,897	2,352
Dukes, Mass.	2,506	2,882	3,179
Wayne, Mich.	22,254	25,592	27,430
Hennepin, Minn.	4,404	5,065	6,679
Jackson, Miss.	2,273	2,614	3,092
St. Louis City, Mo.	5,074	4,835	6,852
Cascade, Mont.	299	344	379
Douglas, Neb.	1,956	2,249	2,437
Clark, Nev.	540	621	733
Essex, N.J.	10,996	12,645	13,262
Bernalillo, N. Mex.	1,361	1,565	2,167
Bronx, N.Y.	37,241	42,827	50,269
Kings, N.Y.	57,507	66,134	73,035
Cass, N. Dak.	180	207	225
Cuyahoga, Ohio	9,792	11,261	14,283
Summit, Ohio	1,912	2,199	2,567
Oklahoma, Okla.	2,349	2,701	2,827
Multnomah, Oreg.	2,557	2,940	3,107
Philadelphia, Pa.	20,752	23,865	31,375
Providence, R.I.	3,564	4,099	4,178
Pennington, S. Dak.	257	296	401
Bexar, Tex.	5,177	5,953	6,279
Harris, Tex.	6,314	7,261	8,686
Salt Lake, Utah	1,666	1,916	2,078
Fairfax, Va.	466	535	1,060
Richmond, Va.	2,304	2,649	2,831
King, Wash.	3,728	4,288	4,724
Milwaukee, Wis.	5,039	5,795	7,395
Laramie, Wyo.	171	197	283

Note: Col. 1 is based on actual 1973 HEW allocation of \$1,600,000,000. Cols. 2 and 3 are based on \$1,800,000,000, the amount contained in conference report on H.R. 8877.

The provision contained in the conference report on the Labor-HEW appropriations bill has some very strange effects. By holding local districts to 115 percent of the amount they received in 1973 after the first continuing resolution had no LEA ceiling, only a State hold harmless, some school districts will receive virtually no funds during two quarters in fiscal 1974. The provision in my motion to recommit will provide a great deal more equity. For example, here is what would happen to a selected number of counties:

County and State	1st quarter allocation	H.R. 8877 provision	Quie amendment
Comanche, Okla.	915,000	450,000	708,000
Hennepin, Minn.	6,800,000	5,000,000	6,700,000
Dakota, Minn.	498,000	292,000	484,000
Crockett, Tex.	31,000	15,000	27,000
Dallas, Tex.	6,400,000	4,800,000	5,500,000
Kent, Tex.	24,000	12,000	21,000
Chattahoochee, Tenn.	77,000	20,000	58,000
Elmore, Idaho	88,000	43,000	88,000

RESULTS OF FOURTH ANNUAL
PUBLIC OPINION POLL

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. YATRON. Mr. Speaker, I have today released the results of my annual public opinion poll which had been sent to the residents of the Sixth Congressional District. The questionnaire requested the opinions of my constituents on current issues facing the Congress and Nation. More than 47,000 responses have been received.

This response, which is well above the number who usually participate in polls of this kind, clearly indicates that the people of Berks, Schuylkill and Northumberland Counties are deeply interested in the major issues of the day and are eager to convey their views to their elected officials. Of the many thousands who replied, hundreds amplified their answers with comments detailing the reasons for their responses.

It was evident from this questionnaire that inflation is of high concern. In addition to the preference of the people of the Sixth District that inflation is a problem of the highest priority, separate comments on this subject were extraordinary. I could not agree more with the residents of the Sixth District and have sponsored many efforts to reduce the inflation which has been reducing the income of all Americans.

We know that the strength of our Government is dependent upon the existence of procedures to promote the regular exchange of views between Government representatives and their constituents. This questionnaire is one of my many efforts to involve everyone in this process.

I interpret the results of the poll as follows:

Significant numbers approved inflation, tax and welfare reform, crime, and consumer protection as the top priority items with education, drug abuse, mass transit, military defense, and rural development receiving the lowest priority votes.

A full 88 percent feel that the United States should not provide economic assistance for the rebuilding of North Vietnam.

Sixty-two percent feel that mass transit facilities would provide a partial solution to the energy crisis and that they would use these services.

Nearly three-quarters feel that construction of the Alaskan oil pipeline should proceed.

An overwhelming majority of 82 percent feel that capital punishment of criminals should be adhered to strictly.

Forty-seven percent would be willing to pay more for products if their manufacture, use and packaging could be made pollution-free.

Forty-six percent feel that Congress should approve Federal tax credits to defray the cost of tuition paid by parents whose children attend nonpublic schools, while half disapproved of such a tax deduction.

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A full 61 percent feel that the Federal Government should help the Nation's railroads stay in operation.

Regarding the economy, 59 percent believe that no Government regulation is necessary since supply and demand should determine wages and prices under a completely free market economic system.

Sixty-seven and fifty-eight percent respectively feel that the United States should discontinue foreign military and economic aid, while 68 percent feel that we should continue foreign humanitarian aid programs.

A full 60 percent feel Federal funding should be approved for day-care and child development programs.

Fifty-seven percent believe that the Federal Government should approve a national health insurance program for all Americans.

A full 70 percent feel that the United States should continue to enter into economic and cultural trade agreements with China and Russia.

Eighty percent feel that legislation should be enacted to limit the President's warmaking powers in undeclared wars.

Regarding the energy crisis, top priority action included a search for new energy sources, more efficient use of fuel by machines and increased usage of coal while increased atomic powerplant construction, increased crude oil imports, and fuel rationing received the lower priority ratings.

A phenomenal 94 percent feel that a wage earner's investment in his private pension plan where he works should be protected by Federal legislation.

Eighty-five percent feel that Congress should increase its efforts to help the handicapped while only 45 percent believe that veterans should be allowed to use GI bill education benefits at any time during their lives.

This public opinion poll has proved to be extremely useful in measuring more precisely the attitudes of my constituents on some of the major problems facing Congress. I know it will help me provide the people of the Sixth Congressional District with effective representation in the weeks and months ahead.

While it is not expected that everyone will agree on every issue, it is hoped that we can all agree that the process of exchanging views is healthy and should be encouraged. I feel that, through my newsletters and questionnaires, this goal is reached and everyone's interests are served while permitting me to be more responsive to the needs of the people in the sixth congressional district.

Reproduced below are the full questionnaire results:

RESULTS OF THE POLL

RECONSTRUCTION AID

Should the United States provide economic assistance for the rebuilding of North Vietnam? Yes, 7%; No, 88%; Undecided, 5%.

MASS TRANSIT

As a partial solution to the energy crisis, would you use a mass transit system to travel to and from work? Yes, 62%; No, 28%; Undecided, 10%.

ALASKAN OIL PIPELINE

Would you support Congressional action to authorize the construction of the Alaskan

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oil pipeline? Yes, 72%; No, 13%; Undecided, 15%.

CAPITAL PUNISHMENT

Do you favor a Constitutional amendment to permit passage of state laws reinstating capital punishment? Yes, 82%; No, 11%; Undecided, 7%.

CONSUMER PRODUCTS

Would you be willing to pay more for products if their manufacture, use and packaging could be made pollution-free? Yes, 47%; No, 35%; Undecided 18%.

NON-PUBLIC SCHOOLS

Do you favor federal tax credits to defray part of the cost of tuition paid by parents to send their children to non-profit, non-public elementary and secondary schools? Yes, 46%; No, 51%; Undecided, 3%.

RAILROADS

Should the federal government, through increased financial assistance, help the nation's railroads stay in operation? Yes, 61%; No, 26%; Undecided, 13%.

PRIORITIES

1st, Inflation; 2nd, Tax Reform; 3rd, Welfare Reform; 4th Crime; 5th, Consumer Protection; 6th, Drug Abuse; 7th, Education; 8th, Military Defense; 9th, Mass Transit; 10th Rural Development.

ECONOMY

Which of the following courses do you think the federal government should pursue regarding the economy?

59% feel we should let supply and demand determine wages and prices under a completely free-market economic system.

14% feel we should continue with temporary wage/price freezes like those we have had since August 1971.

27% feel we should begin a price control program where government determines fair wages and prices periodically.

FOREIGN AID

Should the federal government continue: a. foreign military aid programs? Yes, 20%; No, 67%; Undecided, 13%.

b. foreign economic aid programs? Yes, 30%; No, 58%; Undecided, 12%.

c. foreign humanitarian aid programs? Yes, 68%; No, 22%; Undecided, 10%.

CHILD CARE

As a means of providing mothers presently on welfare with an opportunity to become self-supporting, do you favor the proposal that the federal government fund day-care and child development programs for preschool and school-age children? Yes, 60%; No, 33%; Undecided, 7%.

HEALTH CARE

Health care costs have increased dramatically in recent years to the level paying for adequate health care is beyond the reach of many people. Should the federal government consider a National Health Insurance Program to cover all Americans? Yes, 57%; No, 34%; Undecided, 9%.

TRADE

Do you favor further economic and cultural trade with China and Russia? Yes, 70%; No, 21%; Undecided, 9%.

WAR POWERS

Our Federal form of government is based upon the Separation of Powers between the three branches of government—the Judicial, the Legislative, and the Executive. Do you favor legislation which would restore this balance by prohibiting the President from committing American combat forces beyond a period of 120 days without the consent of Congress? Yes, 80%; No, 14%; Undecided, 6%.

ENERGY CRISIS

What do you think the government should do to combat the energy crisis?

1st, search for new sources of energy, such as solar energy;

2nd, try to eliminate wastefulness by increasing the efficiency of machines which use petroleum products for fuel;

3rd, use more coal, America's most abundant resource, in the best possible way;

4th, increase atomic energy plant construction;

5th, increase crude oil importation; and

6th, begin a program of fuel oil and gasoline rationing.

PENSIONS

Should the Congress approve legislation to protect a wage-earner's investment in his private pension plan and allow him to take his contribution when he leaves the employment of one company to begin work in another? Yes, 94%; No, 3%; Undecided, 3%.

HANDICAPPED

Should the Congress increase its efforts to help the handicapped by providing more funds for rehabilitation and vocational education programs? Yes, 85%; No, 6%; Undecided, 9%.

VETERANS

Should the time-limit on the use of education benefits for Vietnam veterans under the GI Bill be eliminated so that veterans could go back to school with federal assistance at any time during their lives? Yes, 45%; No, 46%; Undecided, 9%.

THE MILITARY MAW—PART VII

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mrs. SCHROEDER. Mr. Speaker, in her last speech before the United Nations as Sweden's top disarmament negotiator, Mrs. Alva Myrdal blamed the United States and the Soviet Union for lack of progress toward genuine disarmament at the 1973 session of the Conference of the Committee on Disarmament. She also warned of dangers to world peace in the development of tactical nuclear weapons and binary nerve gas weapons.

In August, I attended the CCD and felt the same frustrations expressed by Mrs. Myrdal. While I was there Mexico, Sweden, and Brazil all publicly criticized the Conference for failing to produce any kind of agreement in the 2 years of its life. The SALT talks should make it clear agreements can be reached only if this country shows the way. Unless we begin to contribute some positive proposals, particularly in the area of chemical weapons, it appears our attendance at future sessions of the Conference will merely be an empty gesture.

Following is a report from the New York Times on Mrs. Myrdal's speech:

MRS. MYRDAL, LEAVING U.N., WARNS OF NEW WEAPONS

(By Kathleen Teltsch)

UNITED NATIONS, N.Y., Nov. 10.—Mrs. Alva Myrdal gave her last speech as Sweden's top disarmament negotiator this week, blaming the United States and the Soviet Union for lack of progress toward genuine disarmament.

In response, she received a chorus of tributes including two from her main targets.

"I bear many scars testifying to her effectiveness," Joseph Martin Jr., the chief United

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States negotiator, told members of the General Assembly's Political Committee. And Aleksei A. Roshchin, the Soviet member, recalled that he had differed with her on many occasions, but that her contributions had been appreciated.

Mrs. Myrdal was the "conscience of the disarmament movement," Masahiro Nishibori, the Japanese delegate, declared.

The 71-year-old diplomat and her husband, the economist Gunnar Myrdal, are going to the Institute for Democratic Studies at Santa Barbara, Calif., each to write a book.

Mrs. Myrdal, who held the rank of Minister of State, has been Sweden's representative on the 25-member disarmament conference, which ended its 1973 session in Geneva with most members complaining that it had reached virtual paralysis because of a deadlock between the Soviet Union and the United States.

Mrs. Myrdal, speaking in the committee, said that there had been disquieting reports that the two superpowers were about to develop tactical nuclear weapons that could be used in much the same way conventional arms are used by infantry and artillery units.

"Such a development would drastically aggravate the nuclear threat against nonnuclear weapon states everywhere," she said.

"Most important as a question of principle, is, of course, that an introduction of such miniminuclear weapons would blur the distinction between conventional and nuclear weapons," Mrs. Myrdal said. "We are strongly of the view that an absolute 'firebreak' must be kept between nuclear and conventional war."

Mrs. Myrdal said she was encouraged that the United States was moving toward ratification of the Geneva protocol that prohibits the use of all biological and chemical weapons. But she also expressed concern over reported American plans to produce a lethal nerve gas by a new method that "might escape all attempts at control."

She said she was referring only to such reported plans for production of binary nerve gas in the United States because the United States was the most open of the major powers in disclosing its plans, suggesting that other countries might also be considering such production.

The new method mixes two nonlethal gases when they are fired in a shell, producing a lethal gas.

"We must issue a call for fresh action in the United Nations against the development of binary chemical weapons," Mrs. Myrdal said.

Her recurrent theme, however, was that superpowers should agree to "qualitative disarmament"—freezing the development of new weapons. This is the real key to disarmament, she said, adding: "May I end this last official statement of mine by asking my colleagues: When is some action for disarmament to start in earnest?"

WHY THE PRESIDENT SHOULD RESIGN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. RANGEL. Mr. Speaker, last Tuesday I introduced House Resolution 684 calling upon President Nixon to resign. I am pleased that many of my colleagues have publicly announced or privately informed me of their support for this resolution. I will soon be reintroducing the resolution with cosponsors and I

hope that it will receive serious consideration by the House of Representatives as a way out of our present crisis of national leadership.

I do not use the word "crisis" lightly. On Wednesday the President indicated that he would not quit because his mother told him never to quit. As admirable as this advice may have been, the President certainly did not pass it on to former Vice President Spiro Agnew when it became clear that for Mr. Agnew to remain in office under the cloud of criminal indictment would be an unpatriotic act because of the harm that would be caused the office of Vice President. How much more harm is being caused our Nation by the cloud that now hangs over the office of President? Yet Mr. Nixon refuses to resign.

I believe the American people, in their mail to the Congress, through the Gallup poll, and in the voting booths last Tuesday, have declared their loss of faith in Mr. Nixon and his administration. We have begun impeachment proceedings in the Committee on the Judiciary, but this process will of necessity move slowly. Positive action on my resolution would show the President that his resignation would be in the greater national interest than a lengthy impeachment proceeding. I place the text of my resolution in the RECORD at this point accompanied by an article which I wrote for the New York Amsterdam News setting forth the reasons which motivated my introduction of the resolution:

RESOLUTION

Resolved, Whereas the President's action in summarily dismissing the Special Prosecutor caused an unprecedented outpouring of public demand for impeachment; and

Whereas the President of the United States is presently under investigation to determine his possible involvement in impeachable offenses; and

Whereas impeachment resolutions and resolutions of inquiry into grounds for impeachment have been introduced into the House of Representatives with the cosponsorship of more than 100 members of the House; and

Whereas the Judiciary Committee is presently investigating to determine whether the President has violated his oath of office and engaged in high crimes and misdemeanors; and

Whereas the name of Gerald Ford was submitted by the President prior to the initiation of impeachment proceedings by the House; and

Whereas the order of priority for the consideration of impeachment and the consideration of confirmation of the Vice Presidential nominee by the Committee on the Judiciary has not been Constitutionally established; and

Whereas Gerald Ford has publicly indicated that he does not desire to serve as President; and

Whereas the impeachment, resignation or the incapacity of the President to continue in office would cause the succession to the Presidency of the Speaker of the House, Carl Albert, a member of the Democratic Party whose Presidential nominee was defeated in the last National election; and

Whereas the facts and circumstances surrounding the investigation of impeachable conduct by the President of the United States has adversely affected the ability of the President to effectively lead both at home and abroad; and

Whereas this ability will be further im-

EXTENSIONS OF REMARKS

paired during prolonged impeachment proceedings;

Therefore, be it resolved by the House of Representatives that it is the judgment of the House that the President should resign from office.

Be it further resolved that prior to said resignation, the President send forthwith to the House of Representatives a candidate other than Gerald Ford to be considered as a nominee to succeed him as President upon confirmation by both the House of Representatives and the United States Senate.

THE NIXON CHOICE: RESIGN OR BE IMPEACHED

Congressman Charles B. Rangel, representative for Harlem and the West Side, is a member of the House Judiciary Committee which will conduct any investigation into impeachment proceedings against the President of the United States.

This article is the first of a series concerning impeachment which Congressman Rangel is writing for the Amsterdam News.

(By Charles B. Rangel)

Last week the Judiciary Committee of the House of Representatives met to decide on procedures to be followed in its consideration of the several impeachment resolutions that have been referred to the Committee. To date, 97 members of the House of Representatives have either introduced or co-sponsored resolutions calling for the impeachment of the President.

In a series of votes that went strictly along party lines (the 21 Democrats on the Committee for, the 17 Republicans on the Committee against) the Committee voted to give chairman Peter Rodino full subpoena power to pursue all evidence related to the impeachable offenses charged against the president.

Although some of us on the Committee felt that our investigation of impeachment should come before any action on the President's nomination of Gerald Ford, all of the Republican members and some of the Democrats urged swift action on the Ford nomination and the Committee voted to proceed with both simultaneously.

LENGTHY PROCESS

As I look at what promises to be a lengthy process, with the need to review all of the evidence on the President's activities collected by the Senate Watergate Committee, the evidence uncovered by Special Prosecutor Archibald Cox before he was fired, and the evidence which is now coming forth from other sources, it is clear that although the Judiciary Committee is now committed to the impeachment process, it will take some time, maybe several weeks, given anticipated delaying tactics by those on the Committee opposed to impeachment, for the Committee to decide on whether it should report a bill of impeachment to the House of Representatives.

POLITICAL FACT

Yet it is a political fact that the President has already been effectively impeached by the judgment of the people. My mail, running to 5,000 letters in the past two weeks was 99 per cent in favor of impeachment, predicted the results revealed this past weekend in the nationwide Gallup poll that showed only 27 per cent of the American people in support of the President. It is now clear that the people have lost their confidence in the President. They are no longer willing to buy his evasion, diversionary tactics and out-right lies; they are demanding impeachment.

DESIRABLE ROUTE

Our system is based most fundamentally upon the consent of the governed. It cannot, and should not, operate in a climate of such widespread distrust of our national leadership.

The people have just as surely rejected Mr. Nixon as they elected him last November, and we have reached a point where President Nixon, like former Vice President Agnew, must decide that his resignation is required in the national interest.

If he does not resign, impeachment proceedings will go forward in the Judiciary Committee. But his resignation now appears to be the most immediate and desirable route to resolving this national crisis.

NEEDS OF SENIOR CITIZENS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. GAYDOS. Mr. Speaker, the Allegheny County Housing Authority in western Pennsylvania once again has visibly demonstrated its awareness and concern for the needs of the senior citizens.

The authority, under the able leadership of Mr. James Knox, executive director, recently dedicated its eighth high-rise apartment building for elderly residents, the Franklin D. Roosevelt Apartments, in Homestead, Pa., located in my 20th Congressional District.

I had the privilege of participating in the dedication of this new 11-story high structure, built at a cost of some \$2 million, which includes 60 efficiency and 40 1-bedroom units as well as a large, bright community room.

Despite its impressiveness, the building itself is not important. What it represents is important. That structure, constructed of brick and mortar and steel, is a monument to what can be done for people if government at all levels, local, county, State, and Federal, work together to serve those they represent. Believe me, gentlemen, the look on the faces of those who will live in that new building left no doubt in my mind that this is the way government should work.

The Allegheny County Housing Authority has compiled an enviable record in this area. It now manages 30 housing communities in the county, comprising approximately 3,500 housing units to meet the needs of families and senior citizens.

I take great pride in bringing to the attention of my colleagues the people who took part in the dedication ceremonies: Frank Watson, president of the building's Tenant Council; George McGregor and Daniel O'Brien of Post 373, VFW; the Steel Valley High School Band, directed by Thaddeus Wawro; the Reverend John Little of Park Place AME Church; Thomas R. Finlon, chairman of the housing authority board; Stephen A. Zappala, vice chairman; Thomas A. Nauman, secretary; Wayne P. Kelly, treasurer; Carol A. Tucker, assistant secretary-treasurer; Mayor James Armstrong of Homestead; County Commissioner Thomas J. Foerster; William Voekler of the North Borough's Men's Club; William Wardle, president of Crump, Inc.; Mr. and Mrs. William Martin, first key to the building; Mrs.

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Patricia Meyers, regional housing manager, and the Reverend Aloysius Jezewski, of St. Anthony's Roman Catholic Church.

Mr. Speaker, on behalf of these dedicated people and my colleagues here in the House I extend to the new residents of the Franklin D. Roosevelt Apartments my best wishes for a long and happy life in their new home.

TRIPLE PLAY BY RUSSIANS

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. RONCALLO of New York. Mr. Speaker, on Monday of last week, I received advance information about a truly awesome story to be published in the Aviation Week and Space Technology magazine. I immediately brought the story to the attention of the chairmen of the Senate and House Committees on Armed Services and on Tuesday, after publication of the article, I issued a press release on the subject.

The subject is indeed a frightening one. A triple-prong Soviet threat has been revealed with the presence of nuclear warheads on the Russian Scud missiles in Egypt aimed at Tel Aviv; a beefing up of Russian artillery in Guantanamo Bay and Cuban patrol boats outfitted to carry Russian Styx surface-to-surface antiship missiles; and the massing of 194,000 North Vietnamese troops and 750 Soviet tanks at Quang Tri.

While national security will probably not merit a detailed elaboration of this story, I do feel the terrible potential of these actions should be known and borne in mind. To this end, I am including an excellent column by Joseph Alsop which appeared in the Washington Post on November 9, 1973, which substantiates the facts as given in the magazine article:

THREATS ON THREE FRONTS

(By Joseph Alsop)

At the moment, Fidel Castro and his Cubans have thoughtfully prepared positions for the troops and artillery that would be needed to attack the historic American base in Cuba, Guantanamo Bay.

At the moment, again, it appears down-right likely that the North Vietnamese will fairly soon tear up whatever remains of the truce agreement so painfully negotiated by Secretary of State Henry A. Kissinger and Le Duc Tho. Hanoi's minimum objective, as indicated by massive military preparations in flat, violation of the truce agreement, would appear to be tearing away from South Vietnam the northernmost quarter of the South's total territory, Military Region I.

At the moment, finally, there is still an all too serious chance of renewed war in the Middle East, with the Soviets actively aiding in the destruction of Israel. As those words are written, in fact, the intelligence community is riven by an argument about why the Soviets have greatly diminished their airlift of supplies for the Arabs in the last couple of days. This could mean that the Kremlin has wished to cool off President Anwar Sadat and the Egyptian high command, so that they would negotiate more seriously with Secretary Kissinger. But it could also mean

that the Kremlin wants to be ready for prompt intervention in a renewed Mideastern war, with the big Soviet air transports revved up on the southern Russian airfields where the Soviet airborne forces are now on alert.

In sum, you may be careless of the most solemn U.S. commitments in Southeast Asia; but you still have to begin your calculations with Israel's future, and to end at Guantnamo Bay. These ugly signs are in fact cited in inverse order of importance. For the Cubans are highly unlikely to use their prepared attack-positions, unless this country has other, large troubles some where else.

You may also be in a righteous fever for President Nixon's impeachment. But you still have to include in your calculation the Watergate horror's hideous effect on the U.S. world position. All the foregoing threats are unquestionably Watergate-connected.

In truth, these ugly threats would either not exist, or they would not be such serious threats, if those making the threats had not begun to scent how badly Watergate has weakened the President, who has so often in the past proved his toughness and courage in threatening situations overseas. If you are in the currently fashionable fever of righteousness, you will, of course, say that if the President has been weakened, it is all his own fault. It is an arguable view.

But it is even more arguable that righteousness is less urgently important than the vital U.S. interests that are now threatened. So even the Congress and the famous media might well reflect a bit on what disasters may ensue for the American future, when you have public gloating in both Moscow and Hanoi because the President of the United States has been politically crippled.

As a guide to the calculations above-suggested, it is best to take the most important case—which is of course the Middle East. Before these words can be printed, Secretary Kissinger may have pulled a negotiating rabbit out of the hat in Cairo. Pray God he manages to do so. But you have only to examine the alternative to see what desperate trouble this country is now in, partly because Watergate is now viciously inter-acting with our neglect of our power.

If there is renewed war, and the Soviets intervene, Israel is likely to be humbled and at least half-crushed. Yet if this horrible result is avoided, no more than a couple of years will be gained for the United States to gather its wits again and to restore its lost standing of a serious giant power, by rearmament and in other ways.

The reasons for this bleak outlook are bleakly simple. The best imaginable settlement that Secretary Kissinger can negotiate will eventually involve Israeli withdrawal from most of a demilitarized Sinai, plus the subsequent re-opening of the Suez Canal. This best settlement will therefore permit the Soviets to pose as the Arabs' revenge-givers and to pour their evergrowing naval power into the Red Sea, the Indian Ocean and the Persian Gulf. For this, the Kremlin needs the canal re-opened.

Consider, then, the kind of states that own the crucial oil resources of the Arabian peninsula. The Soviets, as revenge-givers, will have their impact, even in Saudi Arabia. They will have infinitely greater impact, however, if the rulers of Arab oil almost all wake up one morning to find themselves looking down the throats of scores of missile-launchers on Soviet guided missile cruisers, with one of the new Soviet aircraft carriers in the immediate offing as well.

In other words, this game's stake is control of the oil-tap, which is now the jugular of the western world. If there is a settlement, the United States may have time to avert Soviet control of the oil-tap by really drastic measures. If there is no settlement, and Israel is humbled, Soviet control of the oil-tap will be prompt and automatic. These are not pleasant thoughts.

EXTENSIONS OF REMARKS

"MURDER BY HANDGUN: THE CASE FOR GUN CONTROL"—NO. 44

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. HARRINGTON. Mr. Speaker, John Lindsay, the mayor of New York City, has often made his position in favor of gun control quite clear. In a speech before the American Society of Criminology this month, Mayor Lindsay made the point that in Tokyo where owning a handgun is illegal, there were only three handgun murders in 1972. No major city in the United States can boast such a small number of handgun murders.

The statistics also indicate that in southern cities where gun control laws are lax, the murder rate is higher than in cities with stricter gun control laws.

It seems to me that reducing the murders in this country could be accomplished by eliminating handguns from their present easy accessibility.

Included below are two articles—one from the Boston Globe of November 4 quoting Mayor Lindsay and another from the October 31 New Jersey Courier News describing another tragic and preventable handgun murder.

The articles follow:

[From the Boston Globe, Nov. 4, 1973]

LINDSAY SAYS UNITED STATES NEEDS FEDERAL GUN CONTROL LAW

NEW YORK.—Mayor John V. Lindsay yesterday called for Federal gun control laws, asserting that nationwide permissiveness on the issue, particularly in Southern states, is "threatening the safety of police officers and citizens in New York City."

In remarks before the American Society of Criminology, Lindsay said: "It is illegal to own a handgun in Japan. And so in Tokyo, there were 217 murders in 1972, and only three of them were committed with handguns. In Detroit, with one tenth the population of Tokyo, there were more than twice as many murders in 1972."

Lindsay said Southern states, particularly South Carolina, have the most permissive gun legislation in the country, and their law affects people elsewhere.

"In one case, for example," he said, "one man in South Carolina purchased 600 handguns in one day so that he could resell them in northern cities.

"That," Lindsay asserted, "is obviously a Federal problem of the highest order."

Lindsay also criticized the gun industry, saying, "If these firms were also producing heroin, there would be Federal action and national outrage. But their outpouring of guns, which annually kills far more people than drug addiction, barely causes a stir in Washington."

"This country was founded on cherished ideals, not guns," Lindsay said. "The frontier was conquered by plows and axes and hope—not gun-slinging."

[From the New Jersey Courier News, Oct. 31, 1973]

SHOOTING VICTIM FOUND IN FLAMES

CAMDEN.—John Clark, an interior decorator who had been shot in the head and set afire, died Tuesday after firemen found him on fire on the floor of his south Camden home.

Police said it appeared that Clark, 28, had been burned in an attempt to camouflage the shooting.

Firemen answered an anonymous call Monday night and found Clark on the floor, with burning newspapers stuffed under him.

He died three hours later. Police said he had been shot in the head with a .38 caliber revolver.

ROGERS AND HEALTH AND ENVIRONMENT SUBCOMMITTEE INTRODUCE BILL TO PRESERVE CLEAN AIR ACT AND AVERT ENERGY SHORTAGE

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. ROGERS. Mr. Speaker, today, I and nine of my colleagues on the Subcommittee on Public Health and Environment, Mr. SATTERFIELD, Mr. KYROS, Mr. PREYER, Mr. ROY, Mr. NELSEN, Mr. CARTER, Mr. HASTINGS, Mr. HEINZ, and Mr. HEDDLE, introduced legislation designed to insure an adequate supply of fuel to this country this winter, and also to preserve the purposes of the Clean Air Act. The specifics of the bill are as follows:

First. Authorizes the Administration of the Environmental Protection Agency to temporarily suspend any fuel or emission limitation with respect to stationary sources. This authority would cease May 15, 1974.

Second. Authorizes the Administrator to grant a second suspension for any period beginning after May 15, 1974 and ending no later than June 30, 1977. This second suspension would be made contingent upon the sources having entered into a contractual obligation to obtain an emission reduction system determined by the Administrator to be adequately demonstrated, if the suspension is based upon the fact that compliance with the limitations is not feasible because of an unavailability of clean fuels. Authority is given to the Administrator to establish priorities under which manufacturers of emission reduction systems shall provide their systems to users.

Third. Requires EPA to submit a detailed report to the Congress by March 31, 1974, with respect to the impact of the Clean Air Act on fuel shortages, the availability of "scrubber" technology and other matters.

Fourth. Preempts States and localities from enforcing requirements which are a variance with an EPA award of suspension or its determination of priorities for emission reduction systems.

Fifth. Requires the Administrator to conduct a thorough study of State implementation plans and if he determines that, by reason of the award of temporary suspensions, any plan must be revised in order to achieve primary or secondary standards, then he must require revisions in the plan in order that the standards may be met. Plan revisions must be submitted no later than July 1, 1974.

Mr. Speaker, the energy crisis is real and must be dealt with, but we must be certain that we do not act precipitously and do damage to our national health

through vitiating the laudable and necessary purposes of the Clean Air Act. I believe this legislation accomplishes this purpose and look forward to its prompt consideration by the Committee on Interstate and Foreign Commerce.

BUILT SUCCESS THE HARD WAY

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. STARK. Mr. Speaker, I am honored to have the opportunity to insert these words of approbation into the CONGRESSIONAL RECORD for one of my constituents, Mr. Jose "Joe" Aceves, of whom it can be said, without fear of overstatement, "built his success the hard way."

I can relate somewhat with Joe because I, too, built a successful business career through participation in the free enterprise system. But there the similarity ends, because Joe had to overcome obstacles that are uncommon for most Anglos. First of all, he is Mexican-American, a minority in this country. Second, he lacked education, having migrated from Guadalajara, Mexico, as a farm laborer.

Joe's ambition to succeed drove him from the fields of California into professional boxing, then into industry, and back to school. He had only an eighth grade education, but his aptitude for mathematics and mechanics stood him well at Laney and Chabot Colleges, where he studied machine shop practice, tool design, mechanical engineering and drafting. He became a machinist, learned moldmaking and die work, and eventually founded his own business, the only Mexican-American-owned machine shop in the bay area.

Today Joe Aceves, age 40, is president of Aceco Tool Corp., fulfilling contracts for the aerospace and commercial industries. He also owns Pronto Tool and Supply Corp. and holds interests in several other businesses.

His seemingly unlimited energy has carried him into other endeavors designed to help Latinos succeed in society and the business world. He feels, as I do, that it is possible for everyone to succeed in our system, but he also recognizes the added handicaps borne by members of minority groups.

This realization led him to found the Latin American Manufacturers Association, a minority nonprofit business association, industrially oriented, designed specifically for the betterment of Latino businessmen. He is also active in other business, community service, social and cultural activities benefiting Latinos in San Leandro, Hayward, and other parts of the bay area, and Nation.

I am proud to be among those who can congratulate Jose "Joe" Aceves for winning the Latino of the Year Award presented tonight at the Bay Area Congress for Mexican American Affairs' third annual awards dinner.

Thank you.

EXTENSIONS OF REMARKS

AMERICAN LABOR SUPPORTS ISRAEL

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. BADILLO. Mr. Speaker, I wish to call to the attention of my colleagues the very strong support of the American labor movement for the State of Israel and the close kinship between our AFL-CIO and Histadrut, Israel's unique General Federation of Labor.

The support and encouragement Israel has received from the AFL-CIO throughout its turbulent 28-year existence has been substantial. This close relationship is documented in a recent article by Les Finnegan, writing for Press Associates, Inc. This feature, which has been widely distributed to the American and Canadian labor press, deserves the attention of our colleagues and I present it here-with for inclusion in the RECORD:

CLOSE KINSHIP: AMERICAN LABOR HAS HUGE STAKE IN ISRAEL AND ITS VERY SURVIVAL

(By Les Finnegan)

(NOTE.—The author of the following article has visited Israel twice and has personally observed many of the activities of the American labor movement in that country.)

WASHINGTON.—The AFL-CIO swift announcement of all-out support for the State of Israel and for Histadrut, Israel's unique General Federation of Labor, immediately after the Arabs launched the "Yom Kippur War" came as no surprise to those familiar with American labor history.

If, as it is sometimes said, the State of Israel was a creation of Histadrut (the labor federation was founded in 1920, 28 years before Israel's independence), then American labor had much to do with the creation of Histadrut.

The extent of the moral and ideological support that U.S. trade unionism has given Israel and Histadrut, before and after the achievement of independence in 1948, is well known.

What is almost completely unknown is the amazing extent of American labor's economic and financial assistance to the country and its democratic labor movement.

That assistance might well prove the difference between life and death for Israel now that this "oasis of democracy in the Middle East" is once again fighting for its very existence.

Unpublicized have been these two impressive facts:

Since 1947, U.S. unions have contributed a total of \$17,662,663 to Histadrut;

Since 1952, U.S. unions have purchased more than \$800,000,000 worth of Israel bonds.

Just as impressive as these cash outlays and perhaps even more crucial to Israel's survival today are the more than 100 hospitals, clinics, trade schools, medical training facilities, children's homes and other structures built by American unions. They include the following:

In Nazareth, the George Meany Sports Stadium, one of Israel's largest, with seats for 30,000 spectators, has been a major center of athletics and physical fitness programs.

In Beersheba, the ILGWU (North Negev) Hospital, constructed by the Int'l. Ladies Garment Workers Union, AFL-CIO, serves all of the vast Negev desert area including the nomadic Bedoins. It has trained the first Bedoin doctor in 2,000 years.

In Haifa, the modernistic, marble-faced Histadrut headquarters is the William Green

House, a memorial to the late president of the AFL.

In Elath, on the Gulf of Aqaba, adjoining three Arab nations, scores of thousands of Israeli workers and soldiers have enjoyed the intellectual and recreational advantages of the Philip Murray Cultural Center, named after the late president of the CIO and built in desert surroundings of large, rugged, native stone.

In Holon, the Walter Reuther Children's Home, an imposing memorial to the late president of the United Auto Workers, has made possible a healthy growth and adolescence for many Israeli youngsters.

In Ein Keren, the independent International Brotherhood of Teamsters erected the Teamsters Children's Home, a beautiful, long, low, two-story haven for children from broken homes and a treatment center for asthmatic youngsters.

In the Druze village of Isaphia, set on the slopes of Biblical Mt. Carmel, the SEIU Medical Clinic is a therapeutically priceless gift of the Service Employees International Union, AFL-CIO.

In Hatikvah, the Hotel and Restaurant Employees International Union, AFL-CIO, built the highly-valued Ed Miller Youth Center as a tribute to the union's president.

In Haifa, the ILGWU Trade School, filled with modern machinery, trains young Israelis not only for jobs and careers in the garment industry but also for skilled jobs in the construction industry and other fields.

In the Kfar Blum Kibbutz, the Painters Union Rest Home was constructed by the International Brotherhood of Painters, AFL-CIO.

In Krait Shmona, near the Lebanese border, a \$200,000 cold storage plant was built by the Amalgamated Meat Cutters and Butcher Workmen, AFL-CIO, which also raised another \$50,000 to repair damages caused by Arab shelling.

In Bnai Brak, the most modern and beautifully-equipped multi-purpose clinic in Israel, the five-story Potofsky Health Center, was recently dedicated in tribute to the former president of the Amalgamated Clothing Workers, AFL-CIO.

OTHER LABOR CONTRIBUTIONS

However, these American trade union edifices that dot the Israeli landscape from the Lebanese frontier on the north to the Red Sea on the south, by no means exhaust the evidences of U.S. labor aid to Israel and Histadrut.

For example, the United Steelworkers, AFL-CIO, Scholarship Fund helps 24 Israeli boys and girls to obtain university educations each year. Other U.S. unions have established similar educational funds.

What makes these American labor contributions all the more significant is that no comparable relationship has ever flowered between U.S. unions and any other nation at any time.

Part of the answer, probably, is the traditional American admiration for the underdog, the fact that the infant levantine nation was trying to build a new democracy where democracy had never before taken root, in a barren land of desert and rock, a tiny strip of Mediterranean coastline about the size of New Jersey, devoid of natural resources.

Another part of the explanation for American labor's admiration and affection for Israel lies in the pleased recognition that Israel, like America, has been a "melting pot," an ingathering of the tired, the poor, the "huddled masses yearning to breathe free . . . the homeless tempest-tossed" as Emma Lazarus, a Jew, wrote for the pedestal of the Statue of Liberty.

HISTORIC BACKGROUND

The State of Israel was only a distant dream for Jews of the diaspora around the world when the Pittsburgh convention of the AFL in 1928 took its first historic stand on

Histadrut. The delegates could hardly have foreseen the birth of Israel 20 years later when they passed an eloquent resolution lauding Histadrut and praising its protection of the workers of the Holy Land against exploitation.

After that there was never a convention of the AFL or CIO, and seldom a convention of their affiliates, that did not support the vision of a free and independent homeland for the Jews. But the AFL and CIO, and later the AFL-CIO, did not rest with ephemeral convention resolutions. In Congress after Congress and in countless state legislatures, national and state labor bodies won support for a free Israel and the right of Jews everywhere to migrate to the Holy Land.

Later that huge lobbying and educational campaign took on a new character—Israel's desperate need for weapons with which to defend itself against Arab attacks and the equal urgency of shaping world opinion against Israel's enemies.

Both Israel and Histadrut, down through the years, have been generous in their acknowledgment of American labor's contributions to the young nation's creation, survival and development.

The merged AFL-CIO was only four years old when its 1959 convention was addressed by Histadrut's General Secretary Pinhas Lavon. Lavon was given a standing ovation as he concluded his speech with these words:

"Many institutions in Israel, in city and village, have been built for the welfare of the worker and his family thanks to the generosity of your hearts, a generosity which is common to American labor and the American people as a whole.

"We achieved all the things that Israel has achieved by the pioneering efforts of two generations of men and women," the Histadrut leader emphasized. "But of course we could not have done it without the generous help given to us by our kindred and brethren in the free world and by the American labor movement."

Standing on the AFL-CIO platform and listening to wave after wave of cheers and applause, Lavon may well have been thinking back to the very first international statement made by George Meany following his election as president of the merger labor movement.

MOSCOW MANEUVERS

"It should be obvious to our government and to our allies," said Meany, "that Moscow is maneuvering to instigate aggression and to provoke the catastrophe of war in the Middle East. The Communists have already ignited the fuse to the powder keg. The free world must act immediately to stamp out that sputtering fuse and safeguard peace.

"As the first step," declared the AFL-CIO chief, "the AFL-CIO recommends that the United States provide arms for defense of Israel."

And then in a 1956 prediction that came true in 1973, Meany said, "The growing imbalance in military strength against Israel will inevitably bring about war."

The AFL-CIO appeal for Israel's defense was no mere gesture. One month later, on the eighth anniversary of Israeli independence, the Federation asked President Eisenhower to "seek advance authority from Congress" to send arms "for the defense of Israel."

Solemnly Meany warned the President and Congress: "If we do not act now, Israel may become another Korea."

Of all the unions of free labor around the world, the AFL-CIO has been the most vocal and least compromising in attacking Arab aggression. The Arab warmongers, Meany said, represent "a part of the world where there is no such thing as democracy; where feudalism still reigns; where within a very few miles human beings are still sold into slavery, a part of the world that could very

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well be called the most backward area of the world."

Meany, himself the son of immigrants, emphasized the U.S.-Israeli kinship by reminding American working men and women: "We too are a nation of foreigners. We are a nation of people descended from those who came to America to find a haven from persecution and from oppression—economic, political and religious."

Nor has the AFL-CIO hesitated to side with Israel against United Nations resolutions critical of Israeli actions. One UN decision was blasted as contradicting the Eisenhower doctrine for the Middle East. The AFL-CIO said it "supports this (Eisenhower) doctrine which pledges our country to be in readiness to resort to force if need be, and to halt aggression in that part of the world."

Meany proved, too, that he had an acute eye for military eventualities when he told Prime Minister Golda Meir, "The one bit of territory I would never give back would be the Golan Heights to Syria."

Meany summed it up for American union members on Dec. 17, 1972, when he declared:

"There is no disagreement within the American labor movement when it comes to the State of Israel. In supporting Israel we are not only defending the bastion of democracy in the Middle East—we are defending our own principles, the principles of free trade unionism; and nothing is closer to us than that."

GILMAN CALLS FOR RETURNING VETERANS DAY TO NOVEMBER 11

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. GILMAN. Mr. Speaker, today I am introducing legislation reinstating the observance of Veterans Day on November 11 instead of on the fourth day of October.

Veterans Day observances began back in 1919 as Armistice Day with the beginning of a cease-fire over the battle lines of a war-ravaged Europe. The significance of that cease-fire coming at the 11th hour of the 11th day of the 11th month was crystallized into a national holiday initially honoring the veterans of World War I. With the increased service of our men overseas, Armistice Day in 1954 was renamed Veterans Day and its celebration was continued on the 11th day of November each year as a day honoring all of our veterans until legislation establishing 3-day holidays took effect in 1971.

Veterans Day is an important day—a day far too significant to be casually noted as part of a 3-day October holiday. We must not let our Nation forget the sacrifice, the courage, and the loyalty of our veterans for their country. It is altogether befitting that we set aside a special date in recognition of their unselfish devotion to their Nation.

With the advent of the 3-day holidays, Veterans Day observances have been met with apathy and have been sacrificed to the commercialism of holiday shopping. Recognizing this, 32 States have already moved their State celebrations of Veterans Day back to November 11.

By Congress reestablishing November 11 as Veterans Day, we will be giving added significance to the immortal, hero-

ic deeds of our service men and women who gave so much for their Nation.

Mr. Speaker, I invite my colleagues to join me in sponsoring this measure changing Veterans Day back to November 11 and respectfully request that the text of this measure be included in this portion of the RECORD:

A bill to reestablish November 11 as Veterans Day

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective upon the date of enactment, subsection (a) of section 6103 of title 5, United States Code, as amended by the Act of June 28, 1968 (Public Law 90-363), is amended by striking out "Veteran's Day, the fourth Monday in October" and inserting in lieu thereof "Veteran's Day, November 11".

SOKOL ASSOCIATION—TRADITIONS AND LIVING IDEALS

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. CULVER. Mr. Speaker, I would like to pay tribute to the Sokol Association of Cedar Rapids. This organization, founded and supported by Czechoslovakian people of the Second District in Iowa, has contributed much to the Cedar Rapids community. I recently had the pleasure of addressing the Sokol Association as it celebrated its 100th anniversary. I think the spirit and achievements of this group are worthy of wide notice, and I would, therefore, like to include the text of my remarks in the RECORD at this time:

REMARKS BY REPRESENTATIVE CULVER

It is a pleasure for me to participate in the 100th anniversary celebration of the Cedar Rapids Sokol Association.

Sharing close ties with the Cedar Rapids community, we all know the importance of maintaining involvement in a group such as this one, both to strengthen the fabric of our community and to heighten our awareness of our heritage and its cultural diversity.

Many nationalities make America what the country is today. The contribution of each nation's culture, its ideas, customs and talents helped build this nation and contribute to its greatness. Being proud to be Americans involves being proud of our heritage. Sokol is an excellent example of how we can keep alive the smaller community within the larger one.

If we had more such active groups, with stress on family, participation, physical fitness, and community involvement, perhaps we would be better able to solve and even end some of the problems in society today. As all of you here this evening know so well, young people particularly benefit from their involvement in this organization, as hopefully, their enthusiasm and interest here will lead to their strong development as future parents, citizens and leaders.

In a time of accelerated change and of changing moods, ideas, and institutions, it is heartening to see this group celebrate its 100th anniversary. As you look ahead to another century of development and growth, and share your interests with others in the community and nations, we can take renewed hope that the traditions and living ideals of this country will have as much permanence as this organization.

A TURN TO GOVERNMENT FOR HELP

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. ALEXANDER. Mr. Speaker, the citizens of Brinkley, Ark., are working to breathe new life into the community. Mr. Albert L. Rusher, a concerned citizen, forwarded to me an article from the U.S. News & World Report entitled "A Turn to Government for Help." I commend it to my colleagues for their consideration:

A TURN TO GOVERNMENT FOR HELP

Toccoa, Ga.—Carl McCurry says he's getting customers in his men's shop in downtown Toccoa that he's never seen before. To him, that indicates that this town of 6,971 in the red-clay hills of Northeast Georgia is on the move again.

For years, the clothing merchant had seen the same faces—but fewer and less seldom—as the business district declined and young people left town to seek jobs in Atlanta.

"We were dying, like so many other small towns," recalls Mr. McCurry. "We had seven empty buildings in two blocks."

Until 1964, Toccoa had been on the main highway linking Atlanta and Greenville, S.C. But an expressway was built 17 miles to the south. Almost immediately, 11 service stations, two truck stops, a small hotel and two restaurants closed.

The community tried to attract industry. It built an industrial park adjoining the town in 1967, but the space went three years without a single tenant.

City Commissioner Lucius Alewine relates the town's efforts to lure business by using volunteer local leaders.

"We tried and tried; we used every gimmick you can think of, but we got nowhere. It was like a high-powered race car spinning its wheels and then running out of gas."

START: A MALL

Then, suddenly, the turnaround began. First, downtown businessmen—desperate for off-street parking but unable to afford it—turned to the city and then to the Federal Government for help. The solution was a 1.8-million dollar downtown pedestrian mall, financed 75 per cent by federal funds.

Second, city leaders decided they could never attract industry without professional help. So in 1968 they hired Robert H. Evans from the Spartanburg, S.C., chamber of commerce to head a local chamber and development authority.

New Shopping Center in Toccoa, Ga., Is a Sign of Growth. Community Leaders Credit Professional Help for Spurring Expansion

"Any community attempting to evolve out of a state of stagnation cannot do it without full-time professional leadership," says Roy E. Gaines, a radio-station executive and city commissioner.

Within a year, Toccoa landed Thiokol Chemical Corporation, in the town's industrial park. However, by late 1969, the company's market for carpet-backing it produced in Toccoa vanished, and Thiokol was forced to shut down.

The plant sat idle for months until Mr. Evans negotiated its sale to a textile manufacturer, the Deering Milliken, Inc., which now employs workers turning out double-knit fabric. Later, Thiokol opened a smaller plant in the town's industrial park.

On another occasion, Mr. Evans heard of a business-form printer looking for a site with a building in Georgia. Toccoa had the site but no building. So Mr. Evans persuaded

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an Atlanta contractor to put up the building and landed the company, Uarco, Inc., of Barrington, Ill.

This kind of success re-awakened interest throughout the town's business community. For example:

A customer in Mr. McCurry's men's shop one day mentioned that he was a baker with a major Atlanta hotel, but wanted to move to a small town. Mr. McCurry thought the town needed a bakery, so he left the customer he had never seen before alone in the store for about two hours while the merchant went out to find a real-estate agent to lease the baker a site.

GROWING AGAIN

There are numerous signs that Toccoa is growing again. Two new shopping centers are under construction; a 100-bed hospital was occupied in 1968; a library was opened in 1970; and a 3-million-dollar high school and vocational school was dedicated in 1971.

In addition, the water and sewer system has been expanded at a cost of 3.7 millions. And since 1968, eight new industries creating 900 jobs have come to town.

"Not one of them has a smokestack," says Mr. Evans.

Downtown business is booming. The pedestrian mall started attracting curious shoppers almost as soon as the first spadeful of dirt was turned. Retail sales climbed even though rain during the autumn and winter of construction made a quagmire of streets and sidewalks.

Grocer J. R. Mitchell, downtown since 1935, says, "March was the best month we have had in a long time." John Mullinax, a jeweler who headed the Downtown Merchants Association during the initial search for off-street parking that led to the mall, says business now is the best ever.

"I've had a very nice increase in sales since completion of the mall, and an increase every month except one during its construction," he says.

While the mall was being built, 19 warehouses, pool halls, and other structures were demolished to provide off-street parking. Stores now have two entrances—one facing the mall and another leading to parking lots.

The pedestrian mall covers only one block, but it is spurring businessmen outside the block to renovate. Notes Commissioner Alewine:

"The surrounding area was pretty dilapidated but you'd be surprised how people several blocks away are sprucing up their buildings. The attraction rubs off."

Community leaders generally believe the town now is retaining its young. Mayor Troy L. Bowen says his son, a Georgia Tech graduate, "is coming back to Toccoa to live. If it weren't for these new industries, he wouldn't be here."

Mr. Alewine offers another example of the interest of young people in the town, saying:

"Every Sunday, two to three young people join the church and that is good for the community."

FUEL OIL EXPORTS UP 350 PERCENT

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. ASPIN. Mr. Speaker, despite a mounting nationwide oil crisis, the latest figures show the U.S. exports of fuel oil rose about 350 percent in the last month reaching 642,000 barrels in September.

According to the U.S. Bureau of the Census U.S. fuel oil exports climbed from 200,000 barrels in August to 692,000 barrels in September.

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rels in September. It is bad enough that we are exporting any fuel oil at all, but to increase the exports by 350 percent as the shortage worsens is an outrage and frankly incomprehensible.

As many of my colleagues know, I have introduced legislation (H.R. 8828) that will prohibit all fuel oil exports during the current shortage as well as overseas shipments of gasoline and propane.

During the shortage, there is absolutely no excuse for exporting any fuel oil overseas. The largest shipments during September were to Great Britain, the Netherlands, and Venezuela.

Last week I released results of the investigation by the Cost of Living Council which showed the fuel exports are expected to go up 284 percent in 1973.

Congress must bring this abuse to a halt by passing legislation to prohibit all petroleum exports during the shortage.

TRIBUTE TO MR. AND MRS. CHARLES WORTHAM

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. ANDERSON of California. Mr. Speaker, when the objective eye of history records the actions and deeds of America, I would hope that the criteria used to judge our Nation is the quality of our people—our morality, our intellect, and our perseverance.

Ralph Waldo Emerson said it best:

The true test of civilization is, not the census, nor the size of cities, nor the crops—no, but the kind of man the country turns out.

By this standard, our place in history should be assured. And, of those who could best serve as examples of American morality, intelligence, and perseverance—with an added touch of humor—I would include Mr. and Mrs. Charles Wortham—two of the finest people I have been privileged to know.

Born in 1884, Charley Wortham settled in Redondo Beach, Calif., on July 4, 1932, where he was in the rental housing business.

In this community, he made his mark as an active participant in civic and cultural affairs, serving as the campaign chairman of the South Bay March of Dimes, the president of the South Bay-Torrance Symphony Association, and chairman of the American Field Service.

In addition, Mr. Wortham is a member of the Redondo Beach chapters of the Elks, Masons, and Eagles. He also serves on the Redondo Beach Roundtable, and is a life member of the coordinating council. Presently, Charley serves as the president emeritus of the South Bay Chapter of the City of Hope.

MAYOR OF REDONDO BEACH

His great interest in community affairs naturally carried over to governmental affairs, and he was elected councilman in 1941, and then mayor in 1947, where he served until 1953. Currently,

Mr. Wortham serves on the appeals board.

Charley Wortham's leadership and dedication led to his selection as a delegate to the 1948 Democratic National Convention in Philadelphia which nominated Harry S. Truman. Then, in 1952, he was a delegate to the convention in Chicago which nominated Gov. Adlai Stevenson.

In 1965, at the age of 81, he had the distinction of serving on the Los Angeles County Grand Jury, as the oldest person ever to do so in county history.

Referred to as "Mr. Redondo Beach" by the South Bay Daily Breeze, Charley Wortham was named Man of the Year in 1967 by the Redondo Beach Chamber of Commerce, and has received honors from the Elks and the Eagles.

ALMA WORTHAM

No mention of Charley would be complete without acknowledging and paying tribute to his lovely and charming wife Alma. In addition to her job as a housewife and mother, she, too, has been active in democratic politics, helping to form the countywide Democratic Women's Forum. She and Charley are the proud parents of five children, the grandparents of 19 grandchildren, and the great-grandparents of 30 great-grandchildren.

Mr. Speaker, the Worthams are the kind of people that all of us can be proud of—the kind of people who have built America and made this the great country she is.

JERRY MICKELSEN

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mrs. BURKE of California. Mr. Speaker, I would like to take this opportunity to give recognition and say thank you to one of Los Angeles' distinguished citizens for a job well done.

So often, individuals provide services to the community in an exceptional manner or go above or beyond the call of duty and receive no thanks for their efforts. I feel that these citizens deserve a word of praise and encouragement.

Jerry Mickelsen is assistant ticket manager for the Los Angeles Rams. In this position, Mr. Mickelsen handles season ticket sales, individual game sales, and all related work dealing with distribution of tickets for the Rams. I am sure that at one time or another we have all endured the frustrations of attempting to obtain tickets for a professional football game to no avail. With pro football being one of America's favorite pastimes, it is virtually impossible, in most cities, to get tickets to the games if you are not a season ticketholder and in some cities it is impossible even to get season tickets. Jerry Mickelsen has done a fantastic job of trying to eliminate some of the frustrations of Rams fans in virtually impossible situations. On numerous occasions, he has helped me and

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so many other Ram supporters obtain tickets to home and away games when they were difficult to obtain.

A native of St. Paul, Minn., Jerry worked in the Los Angeles Dodgers box office prior to starting with the Rams in 1968. He and his wife Lora Ann are the parents of two sons, Gregory and Kenneth.

To Jerry Mickelsen, I say thank you for myself, my family, and thousands of other Los Angeles Rams supporters.

IMPEACHMENT: TWO LEGAL VIEWS

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. VAN DEERLIN. Mr. Speaker, I have now received more than 1,500 letters and telegrams calling for resignation or impeachment of the President. Most of these have been brief and pointed.

My attention was drawn to two more substantial statements from practicing attorneys in San Diego County, Louis S. Katz and Charles C. Renshaw. I have been acquainted with each of them at least a dozen years. Each stands high in the legal profession.

Messrs. Katz and Renshaw have separately pondered both the law and the facts touching on the impeachment issue, and reached similar conclusions. I offer both assessments for the RECORD:

NOVEMBER 8, 1973.

Hon. LIONEL VAN DEERLIN,
Member of Congress, House Office Building,
Washington, D.C.

DEAR VAN: I have heard some talk that since the President agreed to turn over the Watergate tapes impeachment has now lost its appeal to many people in Congress and to the United States citizens as well.

For the following reasons I believe impeachment is still important and that President Nixon is not above the law. Congress or the people of this country and that immediate action should be taken to hold hearings on the President's impeachment.

The following items, in my opinion, are illegal and improper activities by a President:

(1) On July 23, 1970 the President personally approved a plan for political surveillance by use of burglary, wiretapping, eavesdropping and spying on students by the CIA and other agencies.

(2) In 1971, the President established with the White House a personal secret police force that engaged in burglary, illegal wiretaps, espionage, and perjury.

(3) While Daniel Ellsberg was facing trial in a Federal Court in Los Angeles, his psychiatric records were removed from the office of his doctor by White House aides who burglarized the doctor's office and who were acting under the direction of the President. At the same time and at the direction of the President, a White House aide discussed the directorship of the FBI with the judge presiding over the Ellsberg trial.

(4) Private detectives were hired by White House aides to spy on the sex life, drinking habits, and family problems of political opponents.

(5) A special list was made up of "enemies" who were opponents of President Nixon and

supporters of possible presidential opponents. These names were placed on a special list and targeted for harassment by the Internal Revenue Service.

(6) During three days in May 1971, over 13,000 people were arrested in Washington, D.C. These arrests were declared unconstitutional by the courts and at that time a White House spokesman, William Rehnquist, invented the doctrine of "qualified martial law."

(7) In 1973, the President ordered bombing of Cambodia, a neutral country, without the authorization of Congress. We learned later that he had been authorizing the bombing in Cambodia for three years and had deliberately concealed the bombing from Congress and from the people, thereby usurping the war making powers of the Congress. Not only that, but when the President found that the deception had been uncovered, he said he would do the same thing under similar circumstances.

(8) Lastly, and most important, is the loss of the two tapes that carry key information about the President's advice to Mr. Dean and the Attorney General in areas that, if verified by the statements of these two witnesses before the Watergate Committee, would show that the President had acted improperly and unethically. For this reason alone, the "loss" of these two tapes is highly suspect and can lead me to believe only that President Nixon intentionally destroyed them or misplaced them so that his language could not be quoted to the nation.

To protect our system of individual rights under the law, and to restore the integrity of the Bill of Rights, for us and our children, as well as to make the lesson clear to all future Presidents in whose hands we place our lives, Richard Nixon must stand trial before the Senate. If he does not stand trial, what he has done will be done by others. I therefore strongly urge you to support impeachment of President Nixon.

I would appreciate your responding to my letter and giving me your views on this subject.

Very truly yours,

LOUIS S. KATZ.

NOVEMBER 7, 1973.

Hon. LIONEL VAN DEERLIN,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR VAN: We received your response to our recent cry of outrage, and I must say that we concur in the views you expressed.

God knows, as California democrats, neither Ely or I have any reason to think kindly of Nixon. However, we both felt, for many long months, that he was entitled to all the presumptions of innocence due any citizen, and beyond this, by virtue of his office, perhaps greater restraint was due the President. These considerations, plus the national agonies that would be generated by impeachment, led Ely and me to feelings of ambivalence. The Cox incident, and subsequent events, eliminated all of our misgivings and we fully support your views.

I hope these next thoughts will not be inappropriate, but as a lawyer I have listened to the legal arguments advanced by the administration as to why the files, tapes, etc., relative to Watergate should not be made available to the Senate Select Committee and to the Special Prosecutor. These arguments are, in my opinion, without merit. As I understand it, two basic premises have been raised:

(1) Maintenance of the doctrine of separation of powers between the Judiciary, Legislative and Executive branches; and

(2) Confidentiality of Presidential communications.

The first position does not apply to the Watergate situation because while there is

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no argument that the founders of our republic expressly provided for three co-equal branches of government they also provided that all three branches were, and are, subordinate to the law of this land, and every member of these respective branches is required, as a part of his oath of office, to swear to uphold that law. Simply put, it is the people of this country, in whom the ultimate law of the land resides, that are paramount to the government, not the reverse. Furthermore, at least as it relates to the Special Prosecutor, the issue is one solely within the Executive Branch and does not raise a conflict with either the Judiciary or Legislature.

The second argument is a bogus attempt to blanket everything that citizen Nixon does with the immunity given President Nixon. This is not, and never has been, the law. I think it entirely proper that the confidential communications, whether written, oral, or otherwise, of a President, that relate to the functions of his office and the performance of his duties as President, be kept confidential. However, this does not apply to the communications of citizen Nixon that relate to his activities, his private activities, for reelection to national office. Furthermore, as with any other legal privilege, if an otherwise confidential communication is disclosed to some third person, not otherwise within the orbit of confidentiality, then the privilege no longer exists. This certainly applies to the tapes that Haldemann was allowed to listen to when he was no longer a member of the Presidential family.

Frankly, after analyzing Nixon's position, I came to the conclusion that it is a cleverly designed smoke screen that has at least been partially successful in hoodwinking the public. I have really hoped to see someone prick that balloon in a simple, concise statement.

Anyway, again our appreciation for your letter, and our best wishes to you in what cannot be happy times.

Very truly yours,

C. C. RENSHAW.

THE TARNISHING OF THE PRESIDENT'S ENERGY SPEECH

HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. NEDZI. Mr. Speaker, when after long delay the President made his energy speech to the Nation last Thursday he began by setting forth the problem in a temperate and satisfactory manner.

It was unfortunate, therefore, even though seemingly characteristic, that the President's speech was then marred by a gratuitous slap at Congress.

Obviously, the national interest simply demands that the executive and legislative branches must work together in confronting the energy shortage. A conciliatory and cooperative tone would have been appropriate for the Chief Executive, especially in view of the administration's vulnerability on the issue and the fact that the occasion provided an opportunity for a positive gesture.

A very interesting article on this matter appeared in today's Evans-Novak column:

MR. NIXON'S POLICY ON ENERGY: BLAME CONGRESS

(By Rowland Evans and Robert Novak)

An elite group of 32 businessmen invited to the White House last Wednesday for an

advance peek at the new energy program also became witnesses to a momentary clash between President Nixon and his domestic counselor, Melvin R. Laird, which reveals much about both the administration's handling of the energy crisis and its general strategy.

Laird was listing energy legislation now in the congressional pipeline when he was interrupted by an obviously irritated President. "But there's nothing on my desk now, is there?" Mr. Nixon asked his counselor. The impression given the businessmen: While Laird was trying to solve the fuel shortage in close cooperation with Congress, the President wanted to blame Congress for causing the crisis.

This contrast between the President and his counselor transcends the energy crisis. But in this case, the presidential attempt to lay blame on Congress particularly infuriates Democratic leaders on Capitol Hill who believe their early warnings about the energy crunch were ignored by the White House. In truth, key administration officials admit the President delayed until it was too late to prevent disaster. Even at this eleventh hour, the administration's handling of the crisis seems fuzzy and uncoordinated.

Sen. Henry M. Jackson (D-Wash.), chairman of the Senate Interior Committee, can claim to be the leading Cassandra. His June 13, 1972, letter to the President warning about U.S. dependence on Middle Eastern oil was ignored. So was Jackson's Dec. 10, 1972, call for Mr. Nixon to name an energy adviser.

One reason why Jackson's warnings went unheeded was that domestic policy chief John D. Ehrlichman then tightly controlled decisions on energy, as on everything except foreign affairs. Besides being spread thin by trying to monopolize domestic policy, Ehrlichman was busy attempting to keep from going down with the Watergate wreck, when energy decisions were needed.

When Ehrlichman finally fell last April, the dominant administration voice in the energy field became Deputy Secretary of the Treasury William Simon. A Wall Street investment expert, Simon at first opposed mandatory fuel allocations but later was convinced by Jackson and other congressional leaders of their necessity.

But on June 29 Gov. John Love of Colorado was appointed energy adviser and quickly ruled against mandatory allocations, delaying for weeks what Democrats in Congress long had been urging. Meanwhile, Simon disappeared from the energy picture along with his valuable expertise. As the crisis deepened last week, Simon was in Nassau attending a Time, Inc. seminar.

Love, popular and well regarded as governor, has been an almost totally unrelieved disappointment here. Even administration officials admit he lacks the background, temperament and governmental powers to be energy adviser. In fact, he does not want the power. One proposal to consolidate the government's scattered energy policymaking functions under him was killed by Love.

There is, therefore, a one-word answer to the question of who is running the government's energy policy: nobody. The consequence is a sloppy, sluggish performance by the administration which scarcely supports Mr. Nixon's attempts to blame the crisis on Congress.

When Jackson on Oct. 17 unveiled his legislation for fuel self-sufficiency, Love's office replied it would soon send up its own bill. But one week later, Laird informed Jackson that the many government departments involved had not agreed on anything. That same day, Love told the Senate Interior Committee the administration had no contingency plans in case of an Arab oil cut-off.

Mr. Nixon might not have avoided the crunch even had he heeded Jackson's first warnings. In any event, it is too late now to

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avoid terribly painful economic consequences resulting from the Arab cut-off. ("It's going to be wild in a few weeks," predicted one consultant who advises the administration.)

Nevertheless, almost everybody concerned believes Mr. Nixon should belatedly put somebody in charge of the crisis to at least minimize the economic dislocation. In business circles, Secretary of the Treasury George Shultz is talked about as the best choice. But Shultz, overburdened now as Mr. Nixon's economic adviser, does not want the job and probably won't get it.

Besides, the White House seems more interested in goading Congress. Rep. Torbert Macdonald (D-Mass.), chairman of the House subcommittee handling energy legislation and a critic of the President's energy policies, was not invited to last Wednesday's briefing. Macdonald said nothing publicly but, in private, trumpeted his rage in unprintable language. Although the snub to Macdonald might well be the product of new familiar incompetency at the Nixon White House, it also coincided with Mr. Nixon's desire for a cold war with Congress while a fuel-short nation faces a freezing winter.

CANADIAN WRITER APPRECIATES U.S. ASSISTANCE TO OTHER COUNTRIES

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. BROWN of Ohio. Mr. Speaker, recently one of my constituents, Mrs. Weldon McNeal of Prospect, Ohio, sent me an article from the September 1973 edition of *Country Living* magazine. The article is written by a Canadian who is appreciative of the efforts of the United States in assisting the other nations of the world in overcoming natural disasters, monetary crises, and war devastation. In a time when the United States seems to reap only criticism of its international role, I would like to share this article with my colleagues:

[From *Country Living* magazine, September 1973]

U.S. HELP TO OTHERS IN TIME OF NEED

EDITOR'S NOTE: So we've problems! Dollar devaluation, energy shortages, Watergate skullduggery, galloping inflation, pollution and, at your Co-op, rising costs and the daily struggle of keeping up with the demands for service.

Newspaper columnist Jim Bishop says, "There is another side to the coin of crisis. America will survive it. America was stunned, yes—but not stupefied, rocked but not wrecked, puzzled but not paralyzed."

It is a tribute to the strength of the youthful vigor of the U.S. that the penicillin of our system heals wounds quickly.

In this summer of 1973 men harvested crops, appeared in offices on time or punched shop timeclocks regularly, and housewives went about their daily tasks.

Meanwhile, Gordon Sinclair took to the air over Radio Station CFRB, Toronto to editorialize about Americans. We appreciate Mr. Sinclair's thoughts—do you?

The United States dollar took another pounding on German, French and British exchanges this morning, hitting the lowest point ever known in West Germany.

It has declined there by 41 percent since 1971, and this Canadian thinks it is time to speak up for the Americans as the most generous and possibly the least appreciated people on all the earth.

As long as 60 years ago, when I first started to read newspapers, I read of floods on the Yellow River and the Yangtze. Who rushed in with men and money to help? The Americans did.

They have helped control floods on the Nile, the Amazon, the Ganges and Niger.

Today the rich bottomland of the Mississippi is under water and no foreign land has sent a dollar to help.

Germany, Japan and, to a lesser extent, Britain and Italy were lifted out of the debris of war by the Americans who poured in billions of dollars and forgave other billions in debts.

None of those countries is today paying even the interest on its remaining debts to the United States.

When the franc was in danger of collapsing in 1956, it was the Americans who propped it up, and their reward was to be insulted and swindled on the streets of Paris.

I was there. I saw it.

When distant cities are hit by earthquake, it is the United States that hurries to help. Managua, Nicaragua is one of the most recent examples. So far this spring 59 American communities have been flattened by tornadoes. Nobody has helped.

Why does no other land on earth even consider putting a man or woman on the moon?

You talk about Japanese technocracy and you get radios. You talk about German technocracy and you get automobiles.

You talk about American technocracy and you find men on the moon, not once but several times . . . and safely home again.

You talk about scandals and the Americans put theirs right in the store window for everybody to look at.

Even their draft dodgers are not pursued and hounded. They are here on our streets. Most of them, unless they are breaking Canadian laws, are getting American dollars from Ma and Pa at home to spend here.

When the Americans get out of this bind . . . as they will . . . who could blame them if they simply forgot the rest of the world. If they let someone else buy the Israel bonds. Let someone else build or repair foreign dams or design foreign buildings that won't shake apart in earthquakes.

When the railways of France, Germany and India were breaking down through age, it was the Americans who rebuilt them. When the Pennsylvania Railroad and the New York Central went broke, nobody loaned them an old caboose. Both are still broke.

I can name to you 5,000 times when the Americans raced to the aid of other people in trouble.

Can you name me even one time when someone else raced to the Americans in trouble?

I don't think there was outside help even during the San Francisco earthquake.

Our neighbors have faced it alone, and I'm one Canadian who is tired of hearing them kicked around. They will come out of this thing with their flag high. And when they do, they are entitled to thumb their nose at the lands that are gloating over their present troubles.

I hope Canada is not one of these.

SOLAR ENERGY—A PRACTICAL SOLUTION TO THE ENERGY CRISIS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. BROWN of California. Mr. Speaker, tomorrow through Thursday the Science and Astronautics Subcommittee on Energy will hold hearings on

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H.R. 10952, the Solar Heating and Cooling Demonstration Act of 1973. This bill, if enacted into law, will provide for a \$50 million research, development, demonstration and evaluation program over a period of 5 years that will be extremely valuable in helping us to meet the challenge posed by the energy crisis.

I would like to point out, however, that we in the Congress, as usual, are following rather than leading the way—at least to some extent. There are many private citizens who have been looking into the potential uses of solar energy during the past several years, without governmental assistance, and their experience may prove valuable to us as we embark on the program that this bill will create, assuming that we in the Government are foresighted enough to pass this important piece of legislation. I wish to enter in the RECORD at this time an account of one such private citizen, Homer W. Davis, of Phelan, Calif., Quentin Foley, a reporter for the San Bernardino Sun-Telegram, in an article published on November 4, describes Mr. Davis' project. His article reads as follows:

FORTRESS OF SOLAR ENERGY: SUN TO PROVIDE WARMTH TO HOME
(By Quentin Foley)

PHELAN.—Hot rocks will heat the retirement home of Homer W. Davis in the San Gabriel Mountain foothills near here.

His 2½ acres is just off State Highway 138 at an altitude of 4,200 feet where foot-deep snows are not uncommon in the winter.

"But the air is smog free and the sun is almost always shining, so that is why I chose solar energy," Davis explained.

Unusual features have been designed into the solar energy house.

The concrete block walls are a foot thick and filled top to bottom with concrete, abundantly laced with reinforcing steel.

"It will be strong as a fortress," Davis boasted. "The thick walls of solid concrete give it excellent insulation, preserving energy, and increase its stability in case of earthquakes."

The San Andreas earthquake fault runs right past his front door.

After 32 years of teaching at Chaffey Junior College, what got him interested in building a solar energy house?

"It is a hobby and health activity," he explained.

His doctor prescribed exercise after he suffered a heart attack a few years ago and he decided to build a house to have something more to show for his effort than some old golf scores.

"And it has led to many friendships," Davis added.

You possibly think it would take an engineering professor to undertake building a home from the ground up. Not so. Davis teaches speech.

He learned how to build a house by reading all he could find in the library about masonry, carpentry and all the other skills it would take to do the job.

This will be his second effort. During the housing shortage years after World War II, he built the family residence in Claremont where he and his wife, Gladys, reared three daughters.

Rigging a Maytag washer motor to an old cement mixer, Davis has been working weekends on his house 3½ years and estimates he has 4½ years to go before it will be completed.

"I have had a ball," he said.

"And I've made a lot of friends."

The solar energy, possibly backed up by some wind generated power, will be used in a 12 volt electrical system in the house, but

just to be on the safe side he has left room for 110 and 220 volt systems as well.

He plans to collect heat from the sun in either black boxes or black plastic tubes located outside the house in what will be the solar energy field.

Heat from these will be transferred to a rock bed under the front porch by hot air conduit and from there the heat will circulate through the house. The cooled air will return to the rock bed constantly for reheating.

"We are so high here, we don't have an air conditioning problem as we have few really hot days," Davis said.

Just to make sure, however, he has designed a series of louvers in the attic rafters to let hot air out of the house and to keep hot air from building up inside. At the lower level, cooler air circulates in through another series of louvers.

Since water retains heat longer than rock, he has a 500-gallon water tank in the rock bed where water is heated.

At one end of the living room is a fireplace and the circulating pipes pass beneath the hearthstone to pick up heat from it. Davis plans to use a steel Hetalator fireplace and pass the circulating water system through it. When a valve is turned, the water can be superheated.

Another valve will enable Davis to install radiant heat in the floor, if he wishes.

He even plans to cook with solar energy in an outdoor solar cooker, using a reflector to generate intense heat. You can cook a roast or broil a chicken with reflected solar heat.

"Solar energy can be stored in batteries for use on cloudy days," Davis said. He estimates he will be able to go seven or eight days without seeing the sun before his solar energy supplies run out.

"Wind power generating conditions should be excellent during such times," he said.

Davis believes he can power all the electrical needs of his house, with the possible exception of a TV, by solar energy.

"I'd like to see every home in this valley heating at least their water supply by solar energy," he said. "Water heating is a major energy cost and one that is most easily done by solar energy. Just leave a garden hose out in the sun for a while, then feel the temperature of the water in it."

He is building his retirement home entirely with his own funds, but would like to attract some foundation grants.

"This could become a sort of laboratory where people could come to try out new ideas and learn how to use solar energy," Davis said.

He has the walls up now, and as soon as he gets the roof on he can start with the finishing work. If all goes well, he should be finished well before he retires in five years.

"I'm a little ahead of schedule right now," he said.

And he poured another bucket of concrete into those foot-thick walls.

ENVIRONMENTAL RELIEF SOUGHT THROUGH COMMONSENSE REGULATION OF DDT

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. RARICK. Mr. Speaker, the House Committee on Agriculture ordered the bill H.R. 10796 reported today by unanimous vote.

This legislation is designed to authorize and direct the Administrator of the Environmental Protection Agency to issue a permit for the use of DDT on

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GYPSY MOTHS DEFOLIATE 1,773,846 ACRES IN 1973

WASHINGTON, Oct. 4.—Leaf-eating gypsy moth caterpillars defoliated an estimated 1,773,846 acres of woodland in nine northeastern states this summer, the U.S. Department of Agriculture (USDA) reports. This is an increase of about 400,000 acres over the 1972 defoliation.

This legislation does not authorize uncontrolled use of DDT; rather, it is an exception to the existing law and would apply only to emergency situations and only then to be dispensed by licensed applicators.

This legislation is deemed essential because of the arbitrary refusal of the Environmental Protection Agency to grant the Secretary of Agriculture's petition to authorize emergency use of DDT to combat the massive infestation of our Nation's forest lands from the ravages of the Gypsy and Tussock moth.

The unimaginable extent of this damage from infestation to our forest was described in the testimony of Robert W. Long, Assistant Secretary for Conservation, Research and Education, U.S. Department of Agriculture, before the Subcommittee on Forests, on October 23, 1973:

H.R. 10796 results from concern about damage caused by infestation of the tussock moth in the Pacific Northwest and gypsy moth in the northeast. An estimated 690,000 acres, up to date, of forest land in Oregon and Washington and an estimated 125,000 acres in northern Idaho have been defoliated in varying degrees by the tussock moth. Small areas of tussock moth damage have been discovered in Southern Idaho, Montana, Nevada, and New Mexico; however, the damages in these locations are not yet considered serious. This year the gypsy moth defoliated an estimated 1,773,000 acres within an area including New England, and the States of New York, New Jersey, and Pennsylvania.

It was brought out repeatedly in hearings before our Forests Subcommittee that severe secondary environmental damage that threatened all forms of vegetation and animal life was occurring. As a result of insect infestation on epidemic proportions it simply does not make sense to allow our forest environment to be destroyed by an insect epidemic when they can be successfully controlled through the supervised application of DDT.

At present the damaged forest areas must either be clear cut for salvage or the defoliated and dead timber constitutes a major fire threat, both constituting a secondary threat to wild life and the natural balance desired in our environment.

DDT was banned under the theory of protecting our environment. Now we must understand that by banning DDT without exception or reason we are damaging the environment. There must be room for moderation and flexibility in both the use and banning of DDT. Because EPA exerts its authority as a prohibitive agency rather than a regulatory agency, the Congress must act.

Mr. Speaker, so that our colleagues might know the extent of this threat to our forest lands and the resulting environmental repercussions, I insert the related information in the RECORD at this point:

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insect parasites. The more important of these is the virus. It can kill large populations of the moth. Natural control normally lags several years behind the outbreak.

There was hope that the natural virus would control the tussock moth during this summer, but this has not happened.

Introduction of the virus artificially was one of the controls tested this year. There was some success, but the applications need more testing.

Chemical control

Aerial applications of $\frac{3}{4}$ pound of DDT in one gallon of fuel oil on an acre has been used to control past infestations of the tussock moth. Studies during and after past applications in the Northwest have uncovered little known impact from DDT on the environment in and near spray areas. Currently there is no insecticide registered by the Environmental Protection Agency for use on the tussock moth.

During 1973, four new chemicals were tested on 12,000 acres. One may hold promise as a future control, but a final evaluation is still underway.

PLANS FOR THE FUTURE

Control

Two important jobs will be completed by next summer to provide knowledge to foresters planning control of the tussock moth. By October 1973, a population survey will be completed of egg masses that will produce next year's moths. The presence of the natural virus will not be known until studies are made next spring.

Based on this information, the State of Oregon and others will reevaluate their need for chemical control. A renewed request for emergency use of DDT may be made to the Environmental Protection Agency.

Fire protection

Increased fire protection is needed now in the infested areas. The 6,130 acre fire that burned at the edge of La Grange in August 1973 was aided in its spread by tussock moth-killed timber. Added protection will be needed for 3 to 5 years.

Salvage

Over 40 million board feet of timber were killed in 1972 on private lands. Another 140 million board feet were killed in 1973. A larger amount was killed both years on national forest lands. Salvage of the killed timber was started this summer and will need to continue at a fast pace to remove the timber before checking, insects, and disease make it unmerchantable. Over 300 individual forest landowners have been affected.

Reforestation

Many acres of the Blue Mountains will need reforestation once salvage is completed and the tussock moth is controlled. Department of Forestry service foresters and other foresters are developing plans to assist private landowners. A major problem will be having an adequate supply of seedlings of native species available for planting.

SALUTE TO A MEANINGFUL TELEVISION DRAMA

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. BELL. Mr. Speaker, it is worthy of note that the television industry, essentially designed in its prime time programming to bring entertainment into the homes of millions of Americans, fre-

CONTROL

Natural control

The Douglas-fir tussock moth has many natural enemies. These include a virus and

quently also achieves something meaningful, a program of contemporary importance and of inspiration.

The latest such accomplishment will be seen in homes throughout our Nation on Wednesday night, December 12. It is a simple story called "Joie," to be presented by Paramount television on the "Love Story" anthology series on the NBC television network.

One might not expect to find such a story on a program presented weekly under such a broad, all-encompassing title as "Love Story"—yet, it could not be more fitting. Because, love is the key to the young man named "Joie"—a handsome youth in his early twenties, yet a child in so many ways.

"Joie" is retarded.

There are many young people like him, some younger and some not so young, in special schools and classes, in centers and foundations throughout our country. These are organizations staffed by men and women dedicated to helping the retarded and emotionally disturbed children and adults.

To the observer, "Joie," like many of the young people being aided by such organizations, does not appear to be handicapped. To be sure, there is an occasional slowness of speech, a hesitation. He cannot read, or add, multiply, or subtract. But, much of the time, you are not aware that he is different.

Around him, there is an air of hope, not hopelessness. And love.

It is reflected in "Joie" himself. He wants so much to be a man. And, through love and the patient understanding and teaching of a volunteer in a foundation devoted to exceptional children, he develops an unsuspected talent as an artist. He learns he can look forward to a happy life, one to which he, too, can make his contribution.

As children are doing every hour, every day in schools and organizations across the United States, he responds to love and dedicated care.

It reminds that a few weeks earlier on this same "Love Story" program, another inspiring drama dealt with a young paraplegic. It has resulted in requests for special screenings at rehabilitation centers and hospitals, as a means of encouraging and aiding paraplegics in their struggle to resume a useful life.

Such television shows are not successfully produced by accident. They appear on our home screens as the result of the efforts of hard-working, talented men and women who not only strive to bring us entertainment but also to say something worthwhile. They start with the inspiration to inspire us and those less fortunate. They research their subject thoroughly in order to present it truthfully.

They and the companies who make it all possible are deserving of our commendation. Thus I feel it fitting that the Congress and the TV viewers of the Nation should salute those responsible for "Joie"—television's most distinguished

EXTENSIONS OF REMARKS

award winner and the executive producer of "Love Story," George Schaefer; the former Academy Award winning director, Delbert Mann; the writer of the fine teleplay, Don Appell; the series' associate producer, Philip L. Parslow, its story editor, Esther Shapiro, and the outstanding cast headed by Kim Darby, John David Carson, and the Tony Award winning actress from Broadway, Sada Thompson.

To Frank Yablans, president of Paramount Pictures and Paramount Television and to the other executives of Paramount Television including Emmet G. Lavery, Jr., executive vice president; Bruce Lansbury, vice president, creative affairs, and Richard J. Winters, national director of publicity, advertising and promotion—and to the NBC television network—also should be expressed our appreciation for excellence and the tasteful treatment of a themes of such significance.

The program to be presented on December 12 is one of which the television industry can be proud, a dramatic entertainment that carries with it a hope and an encouragement for the unfortunate retarded and for their families.

Much is being done for them. Much more can be done.

"BLACKS ARE SLAVES TO THE DEMOCRATIC PARTY"

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. STOKES. Mr. Speaker, George Anthony Moore, of the Cleveland Press, published in the November 9 edition of the paper, a most perceptive column on the need for black people to search beyond party labels, when election time comes around, and study the men who request their votes.

Mr. Moore's observations, while specifically concerned with the recent election in Cleveland, have a universal relevance not only to black voters in other parts of the country, but to politicians and would-be candidates in every part.

I hope my colleagues in the House gives Mr. Moore's message sober attention.

The column follows:

"BLACKS ARE SLAVES TO DEMOCRATIC PARTY"
(By George Anthony Moore)

It had been my belief until this week after the general elections that black voters were becoming more sophisticated. But when I look at the results in which Mrs. Mercedes Coiner carried all of the black wards, I found it frightening because it was apparent that in those wards the people voted blindly on the basis that the candidate was a Democrat.

There could have been any other name picked at random and they would have voted for that person. The tragedy of this observation is that blacks in this city have not learned how to vote selectively. They have

become slaves to party labels. In this case, the Democratic Party.

In other parts of this country, the mentality is that you evaluate each candidate and yet quiz him or her on the goals that you think the constituency in that community wants or needs and if they measure up, you give your stamp of approval. Party labels are only incidental.

I heard this philosophy confirmed several months ago at the National Urban League Convention in Washington, when six top black women politicians participated in a panel titled Women In Politics.

Cong. Shirley Chisholm was among those present. I was surprised when she came here to campaign for Mrs. Coiner since she contradicted the things that were agreed to on that panel discussion. Particularly when I learned that as a councilman Mrs. Coiner voted against fair housing legislation. Her defense was that she didn't think the time was right.

This has been the story of black people in this country; we have been standing in the wings, waiting until someone says the time is right.

The black voters I admire are those who were perspective enough to vote for Mayor Perk again. Not because they wanted to be on the winning side, but because they obviously made a candid appraisal of the mayor's past performance. I am not shilling for Mayor Perk, nor do I believe that he has done a spectacular job, but he has put the city on a basis of fiscal responsibility.

His minority employment record is good, although not necessarily spectacular. It's the rare public official whose minority employment record cannot stand improvement.

I was particularly pleased when Mayor Perk said he was going to be the mayor of all the people. It sounded good. But I'm from Missouri, he'll have to show me.

I don't feel that any member of a minority group can be wedded to either the Democratic or Republican Party, nor even a third party if you choose, since periodically there is talk about such. The key is the candidate and where his head is on certain vital issues.

This is what the 21st District Congressional Caucus is all about. Selective voting. And, as you know, its membership is not restricted to minorities. I have no illusions about the organization, it is far from perfect, but it is on the right track. The message is simple: Exercise your vote, don't sell it, don't let anyone commit it for you and above all know your candidates.

SURVEY RESULTS RELEASED

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. WINN. Mr. Speaker, in August, I mailed a questionnaire to every resident of the Third Congressional District of Kansas asking for their views on a variety of topics.

Today, I would like to share with my colleagues in Congress the results of this questionnaire. I feel they show the residents of the Third District to be vitally concerned with day-to-day issues which they must deal with directly as taxpayers and citizens.

At this point, I insert in the RECORD the findings of this survey:

SUMMER QUESTIONNAIRE RESULTS

	Voter responses (percent)					Voter responses (percent)				
	Male		Female			Male		Female		
	Yes	No	Yes	No		Yes	No	Yes	No	
1. Do you feel that Federal or public employees should have the right to strike?	32	63	34	62	8. In the case of young men who have left this country to evade military service, would you favor:	13	67	14	66	
2. Do you favor combining single-purpose Federal programs into block grants for the States and localities to use according to their needs, within prescribed guidelines?	65	28	65	22	a. Unconditional amnesty and pardon.....	56	32	45	37	
3. According to the recently signed peace agreement, the United States agreed to contribute to the post-war reconstruction of Indo-China, including North Vietnam. Do you agree with this provision?	24	74	21	74	b. Prosecution of those who return.....	46	42	53	34	
4. Do you support the Administration's efforts to lower Federal spending through freezing (impounding) funds appropriated by Congress?	52	44	41	50	c. Amnesty or pardon, if they agree to an alternative type of public service.....	47	44	30	53	
5. Do you feel that recently announced phase IV economic controls should be imposed:	52	34	51	28	9. Rising gasoline and fuel prices, and the apparent shortage of fuel supplies is of concern to everyone. Would you support legislation to:	78	15	79	19	
a. On a temporary basis?	18	50	14	54	a. Relax auto pollution requirements.....	57	34	68	24	
b. For an extended period of time?	5	66	4	63	b. Move ahead with the construction of the Alaskan pipeline.....	40	46	39	41	
c. On a permanent basis?	63	35	61	36	c. Urge the reduction of speed limits on Federally-financed highways.....	41	41	36	38	
6. Do you agree with the recent Supreme Court decision which bars Federal aid to private and parochial schools?	42	54	50	43	d. Establish mandatory fuel distribution programs.....	41	43	38	35	
7. Should a news reporter have the right to refuse to reveal the name of the source of a news story:	44	45	44	45	The House Ways and Means Committee is considering tax reform legislation calling for the following things. Would you favor:	39	51	41	44	
a. If national security is involved.....	74	24	73	24	a. Reduction of the oil depletion allowance.....	80	11	80	9	
b. If criminal activity is involved.....					b. Reduction of the Federal tax exemption on municipal bonds.....					
c. If no injury to others is apparent.....					c. Reduction of the capital gains tax.....					
					d. Institution of a property tax credit for the elderly.....					
					11. Do you agree with the recent Supreme Court decision regarding the liberalization of abortion laws.....					
						62	33	63	37	

OBJECTIONS TO SONNENFELDT CONFIRMATION MUST BE ANSWERED—PART XIII

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. ASHBROOK. Mr. Speaker, as I have indicated in the past I am especially interested in the nomination now before the Senate of Helmut Sonnenfeldt as Under Secretary of Treasury because of its relationship to the extensive hearings which the House Internal Security Committee has been conducting since 1971 concerning the Federal civilian employee loyalty-security program. A good illustration is the handling of Presidential appointments such as Mr. Sonnenfeldt by various departments as required by the Federal program.

In testimony before our committee State Department representatives indicated that such appointments are investigated by the FBI and the initial evaluation of the investigative material is evaluated by State's Division of Evaluations of the Office of Security. In his letter to me of August 7, 1973, Secretary of Treasury Shultz stated that "pursuant to normal procedures" in all cases involving President appointments requiring Senate confirmation security and conflict of interest reviews are initiated and conducted by the White House. In the case of the State Department, according to the testimony, the initial evaluation is made at State whereas Treasury was not involved at all in the case of Mr. Sonnenfeldt who was nominated to hold a high Treasury position.

Also, as I have indicated before, neither Treasury or the Civil Service Commission, in listing the investigations of Mr. Sonnenfeldt, made mention of an investigation in the 1960-61 period in which Mr. Sonnenfeldt was questioned by State security investigators, submitted to a lie detector test and had his phone tapped. In addition, the list of investigations by the two departments differed

in part as to the dates of the investigations, each citing an investigation omitted by the other.

In obtaining necessary information the Congress must rely heavily on the accuracy of data supplied by the executive branch departments and agencies. If congressional committees do not have independent sources of information to check with, they are largely at the mercy of the executive branch data. The Sonnenfeldt case has become a matter of controversy precisely because independent sources were available to question the executive's presentation of the case. One such source is Mr. John Hemenway, a former Foreign Service officer who worked with Mr. Sonnenfeldt at the State Department. His testimony on May 15 of this year before the Senate Finance Committee was the initial statement in opposition to the Sonnenfeldt nomination.

Additional hearings on October 1 and 2 brought forth other witnesses, unassociated with the executive branch, who questioned the nomination. Had these sources been unavailable or unwilling to testify, many questions involving the Federal civilian employees loyalty-security program would not have been raised. As knowledgeable sources are not always available to question executive branch presentations, one can appreciate the importance of having an efficient and reliable Federal security program.

I insert at this point the letter of Mr. Hemenway to Senator MANSFIELD of November 12, 1973, a copy of which I have received, indicating the complexity of this case to date:

WASHINGTON, D.C., November 12, 1973.
MAJORITY LEADER OF THE SENATE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MANSFIELD: Today's *Newsweek* discloses a massive cover-up in the Sonnenfeldt Case. (See: "Wheeling and Dealing, Senate Style" in "Periscope", page 23, *Newsweek*, November 12, 1973, enclosed.)

This matter is called to your attention because the report published in *Newsweek* calls into question the integrity of the entire Senate and its leadership, if true. I am not able to evaluate the report myself, but I am

not aware that anyone in a responsible position has repudiated it as inaccurate. It seems to me that the question of honest parliamentary proceedings is raised by the article.

You will recall that, on November 1, I wrote to you concerning the Sonnenfeldt Case. I alerted you to the fact that numerous key witnesses in the matter have not been called and that there is a great deal of evidence that perjury has been committed, all available in the Hearing Transcript, now published. (*Congressional Record* of November 1, 1973, page 35705.)

On November 7, 1973, I also wrote to Senator Long detailing a long list of important witnesses whose evidence was not in the Hearing Record, simply because those witnesses have never been called to be heard. (*Congressional Record* of November 8, 1973, page 36461.)

Subsequently, I learned that Secretary of the Treasury Shultz, to his great credit, put a "hold" on the Sonnenfeldt nomination until he can get the facts concerning the "wheeling and dealing" that went on behind his back without his permission or knowledge in order to secure Senate confirmation for Helmut Sonnenfeldt as Under Secretary.

The chronology in this matter is as follows: May 15, 1973—John Hemenway testifies that Helmut Sonnenfeldt is unfit to be Under Secretary of the Treasury.

Oct. 1, 1973—Stephen Kocak testifies *under oath* on details of Sonnenfeldt's leaking highly classified information to agents of a foreign power.

Oct. 2, 1973—Otto Otepka testifies *under oath* on further details of Sonnenfeldt's propensity to "leak" classified information and other violations of the law.

May 15, Oct. 1, 2—Mr. Sonnenfeldt denied the above accusations *under oath*; the Committee reported the matter out of Committee "unanimously" with the following senators absent: Sen. Talmadge, Sen. Byrd (Va.), and Sen. Mondale.

November 1, 1973—John Hemenway writes to the Attorney General, U.S. Attorney for the D.C. and to Sen. Mansfield (See: *Con. Record* Nov. 1, '73, p. 35705) noting that the published hearing transcript establishes commission of perjury and other high crimes during the Sonnenfeldt Hearing.

November 7, 1973—John Hemenway writes to Sen. Long to report numerous matters left unresolved by the Hearing Transcript, including more than 15 witnesses not called who would corroborate the Hemenway/Otepka/Kocak testimony in matters capable of proof where issues are simple.

November 12, 1973—*Newsweek* publishes "Wheeling and Dealing, Senate Style" (p. 23, "Periscope" in the *Newsweek* of November 12, 1973.) The report suggests a Watergate-type deal made between Sonnenfeldt supporters and senators in a position to influence the Senate leadership's handling of the Sonnenfeldt confirmation. Reportedly, a voice-vote would remain unrecorded, attenuating blame against individual senators. Sonnenfeldt would then resign and go to work for Dr. Kissinger at State requiring confirmation, if any, by the Foreign Relations Committee.

Subsequent to Nov. 12 issue of *Newsweek*—Secretary of the Treasury Schultz orders a "hold" on the Sonnenfeldt nomination until matters reported in *Newsweek*—unknown to him personally—are cleared up and made a matter of public record.

Senator Mansfield, the purpose of this letter is to alert you, the leader of the United State Senate, to the scandalous series of events noted above. No one in the U.S. Senate should treasure and guard the respected reputation of that great body more than you; in fact, it is your responsibility to be jealous and vigilant of the Senate's reputation. The American people can expect you to do your duty in this matter, of that I am confident. To do less, in the shadow of Watergate would seem hypocritical.

Sincerely yours,

JOHN D. HEMENWAY,

WHEELING AND DEALING, SENATE STYLE

The long-delayed confirmation of Helmut Sonnenfeldt as Treasury Under Secretary was the result of delicate dickering—and a deal—between Sen. Russell Long and the White House. Charges that he had leaked classified information had held up the appointment of Sonnenfeldt, a longtime colleague of Henry Kissinger, in Long's Senate Finance Committee for five and a half months. The deal that broke the jam called for approval by voice vote (which is not recorded), plus an "understanding" that Sonnenfeldt will resign shortly and move to Kissinger's State Department. "And if the new job requires confirmation," Long says, "let the Foreign Relations Committee worry about it."

ESEA, TITLE I

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. MICHEL. Mr. Speaker, in view of the announced effort on the part of the gentleman from Minnesota (Mr. QUIE) and the gentleman from Connecticut (Mr. GAIMO) to recommit the conference report on the Labor-HEW appropriation bill when it is brought to the House floor tomorrow, I thought my colleagues might be interested in taking a look at a recent letter from the Commissioner of Education, John Ottina, spelling out the problems facing us under the terms of the current formula for ESEA Title I. Keep in mind that the language in the continuing resolution, to which Dr. Ottina refers, is identical to the language in the conference report which will come before us tomorrow.

I urge the Members to take a few minutes and read this letter, because it is important background for the debate that will occur tomorrow.

EXTENSIONS OF REMARKS

DEPARTMENT OF HEALTH,
EDUCATION AND WELFARE,
OFFICE OF EDUCATION,
Washington, D.C., November 2, 1973.

Hon. DANIEL J. FLOOD,
Chairman, Subcommittee on Labor-Health,
Education, and Welfare, Committee on
Appropriations, House of Representa-
tives, Washington, D.C.

DEAR MR. FLOOD: The Under Secretary informed me of his telephone conversation with you on the Title I, ESEA, situation in 1974.

As you are aware, the problems which have currently surfaced due to language in the continuing resolution are a result of a more fundamental problem with the Title I formula. The formula we are using for distribution of funds includes the use of a \$2000 low-income level which was an equitable definition of poverty in 1960 but is inadequate for the distribution of funds using 1970 Census data. We had hoped to have a new formula in place for the Fiscal Year 1974 distribution using the new data, but this was not accomplished. The problem we face now is working with a makeshift arrangement to achieve the most equitable possible distribution of funds until Title I, ESEA.

School districts have been operating on an annual allocation made during the first quarter of Fiscal Year 1974 based upon the first continuing resolution, P.L. 93-52. These allocations did contain the provision to guarantee each State 100 percent of what it received in Fiscal Year 1972. The effect of the 100 percent State hold harmless was to partially mitigate changes among States which resulted from the use of the 1970 Census data for the first time in the 1974 Title I, ESEA, formula. Without the 100 percent State hold harmless at the Fiscal Year 1972 level, allocations to the large suburban/urban States would have increased substantially above the 1973 level and the rural States would have experienced severe reductions below the 1973 operating level. Within States, the overall effect of the new allocation generally was to shift Title I money from rural areas to suburban/urban areas. Some areas deserved these increases or decreases; others apparently did not. However, lacking a better definition of poverty, the actual equity of changes is difficult to assess.

The present continuing resolution, P.L. 93-124, will minimize the dramatic differences between 1973 and 1974 and restore allocations in the rural school districts to at least 90 percent of their 1973 allocation and restrict the maximum amount a large, suburban/urban school district could receive to 115 percent of its 1973 allocation. The language of the continuing resolution also guarantees that each State in aggregate will receive no less than 90 percent of the amount that State received in 1972.

With second-quarter allocations now long overdue, the Office of Education will have to make allocations no later than November 9 in accordance with the provisions of P.L. 93-124 unless a final appropriation bill is enacted into law or alterations are made in the continuing resolution.

One major difficulty with the provisions of P.L. 93-124 is that the allocation to the State of New Mexico cannot be made in accordance with the provisions of the law. If New Mexico is given its entitlement of \$8,666,553 which is 90 percent of the Fiscal Year 1972 State amount. Its LEA's will be above the 115 percent Fiscal Year 1973 LEA ceiling. If the LEA's are held at the 115 percent LEA ceiling, New Mexico only receives 88 percent of the \$8,666,553.

In addition, I want to call to your attention problems which will arise as a result of satisfying the language of the law. The impact of the change between 1973, the first

quarter of 1974 and what will result under the continuing resolution is shown for a sample of States and selected counties within each State in Enclosure A. One table illustrates these differences at the Fiscal Year 1974 appropriation level of \$1,810,000,000; the other is shown at the Fiscal Year 1974 operating level of \$1,629,000,000. These tables provide a comparison between the 1973 operating level, the allocations under the first and second continuing resolutions, and the effects of lifting the 115 percent ceiling.

From our analysis, we believe that the large southern cities which have had population gains are penalized by the 115 percent ceiling and thus the allocations do not recognize the 1970 Census data. In contrast, rural counties which lost population and money have their losses minimized when brought up to 90 percent. In the northern cities, the results are not the same, although the outcome for the northern areas is similar for both the \$1,810,000,000 and \$1,629,000,000 levels.

An analysis of several different options was undertaken to determine whether a more equitable distribution could be achieved. The following variations were analyzed:

1. the present continuing resolution—
LEA's at 90 percent of 1973 and no more than 115 percent of 1973, and the State at 90 percent of 1972;
2. the effects with no LEA ceiling—
all LEA's at 90 percent of 1973 and the States at 90 percent of 1972;
3. all States at 90 percent of 1972; and
4. all local education agencies at 90 percent of 1973.

The results indicate that there are no completely satisfactory solutions, although certain ones do minimize some of the disruptions which will result between the first- and second-quarter allocations but also let the Census data take effect in counties where substantial gains have occurred. The results are shown by State in the enclosed table (Enclosure B) which compares Fiscal Year 1972, and 1973 operating levels, and the annual rate upon which first-quarter allocations were calculated for Fiscal Year 1974 under P.L. 93-52 by the four variations above.

From my analysis, it would appear that the disruption between the first and second-quarter could be reduced if the 115 percent ceiling were removed. The major effect of eliminating the ceiling is that the remainder of the funds which were previously concentrated in and perhaps artificially inflated the counties between 90 and 115 percent of 1973 now is more evenly distributed to all counties over 90 percent by the rate of their entitlement.

Although not totally true in every case, the counties which reflect the greatest gains appear to be those which have the largest numbers of children in families with incomes under \$2000 and children in families with incomes above \$2,000 receiving AFDC assistance. Most southern cities seem to be the gainers here as is partially illustrated in Column 4 of Enclosure A. The counties held harmless at 90 percent of the Fiscal Year 1973 allotment remain the same and the counties between 90 percent and 115 percent of the Fiscal Year 1973 allotment will lose some money as a result of the ceiling being lifted. For example, Somerset County in Pennsylvania (Enclosure A, Exhibit 1, \$1,810,000,000) dropped by approximately 50 percent between 1973 and the first quarter of 1974. The continuing resolution then brings the rate to \$731,490 from \$322,451. The \$731,490 represents 115 percent of 1973 because the concentration of funds in those counties between 90 percent and 115 percent tended artificially to elevate the amount this county will receive. Without the ceiling, this county stays at 90 percent of 1973, which

EXTENSIONS OF REMARKS

is \$572,000. Somerset is one type of county which appears to sacrifice some gain when there is no ceiling in order that those counties which would be above the ceiling are partially funded. Also, cities in the large, urbanized and northern States do appear in most cases to gain slightly without the ceiling under the \$1,810,000,000 level. With the \$1,629,000,000 amount, this trend is less evident since fewer funds are available for redistribution after the 90 percent county and State floors are satisfied.

Consideration should be given to the possible effects of lifting the 115 percent LEA ceiling with regard to any new Title I formula which is enacted into law for Fiscal Year 1975. A revised formula may result in different State and county allocations, however, without the new formula we cannot be certain of the effects.

In summary, I believe that the least disruptive formula is the option that States receive 90 percent of 1972 and counties are guaranteed 90 percent of 1973 with no 115 percent county ceiling. While we have not proposed dropping the floor, we believe that equity would support a 75 or 80 percent floor instead of the current 90 percent. Since a floor would not represent a severe hardship in most cases since the districts benefitting from the floor have already faced more severe potential cuts. Census shifts would certainly justify at least a 20 percent change under "hold harmless" circumstances. A lower floor would provide greater equity for those districts between 90 and 115 percent which now bear the brunt of the adjustment penalties when the 115 percent ceiling is dropped.

My staff and I stand ready to assist you in any way possible.

Sincerely,

JOHN OTTINA,
U.S. Commissioner of Education.

THE AGNEW CASE: PRISONS ARE
NOT FOR VICE PRESIDENTS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. RANGEL. Mr. Speaker, many of us who are truly concerned about law and order with justice in this society as opposed to those who merely used the term "law and order" as rhetoric to mask political, moral and criminal atrocities perpetrated against the American people, continue to be appalled by the cynical deal by which former Vice President Agnew was allowed to trade his office for an escape from justice.

Prof. Leroy Clark of New York University School of Law, writing in a recent edition of the New York Amsterdam News, points out that the Agnew deal was based on a double standard of justice that should not be permitted in our society. I commend Professor Clark's article to the attention of my colleagues:

[From the Amsterdam (N.Y.) News, Nov. 3, 1974]

PRISONERS ARE NOT FOR VICE PRESIDENTS

(By Leroy Clark)

The mild treatment of instant ex-convict Spiro Agnew is an insult to the American people and a mockery of criminal justice.

Facing charges of income tax evasion, bribery, and extortion, in which he stole over \$100,000, the ex-Vice-President bargained himself into a minor plea of "nolo contendere" to tax evasion, with a \$10,000

fine and three years of unsupervised probation.

While many in the white press feel obliged to "go easy" on Agnew for fear that right-wingers will claim vindictiveness because of Agnew's prior attacks on the press, the Black community should not hesitate to denounce the man and feel deeply affronted by the powder-puff penalty he received—which no Black person, politician or otherwise, would have gotten under similar charges.

AGNEW IS A HUSTLER

The cold, hard story of Agnew is that he was a calculating, hypocritical hustler of public anxiety—and it is the Black press that should tell this story since 85 per cent of Black voters were wise enough to reject the Nixon-Agnew gang last year.

The rest of those who elected Nixon-Agnew by a landslide must feel particularly stunned and impotent since they cannot vent their disappointment on either official.

Nixon has been arrogant enough to fire his special prosecutor, despite the fact that the Congress clearly wanted the prosecutor to be independent, and it is unlikely that Congress will impeach him. Now, Agnew, facing a possible 20 years in prison, in a case against him which prosecutors have claimed was "air-tight," receives the functional equivalent of exoneration.

Mr. Agnew used a successful tactic of threatening Nixon and the Republican Party with a long legal battle which would have jeopardized their chances in upcoming elections.

DEVICE TO CONFUSE

Mr. Agnew was not required to plead guilty, but was permitted to plead "nolo contendere." The "nolo contendere" is technically the equivalent of a guilty plea, but this form of plea was accepted as a device for confusing a lay public about the extent of his guilt.

The major reason that defendants plead "nolo contendere" is that it cannot be used against them in any subsequent civil proceedings, but this was not a concern of Mr. Agnew. Mr. Agnew's recent sanctimonious speech to the Nation was an attempt to capitalize on the nolo plea in the interest of "the Nation," "his family," and anyone else you can name, except himself.

PLEA-BARGAINING AT WORK

Furthermore, permitting Agnew these assertions can only deprive Agnew's plea process of its prime value: namely to warn other politicians with similar extortion intentions and to educate the public to be skeptical of crooks in law-and-order clothing. The judge would be well advised now to vacate the plea and to require a trial or a plea which cannot be instantly repudiated.

Note that Mr. Agnew is permitted to plead to the tax evasion charge which the public will obviously see as less serious than bribery and corruption. The tax evasion charge is also weaker evidence should a bar association ever get around to disbarring Agnew from law practice, since it, unlike the other charges, is not a crime involving "moral turpitude."

Despite the fact that Mr. Agnew could now be tried in Maryland for state criminal charges, their State Attorney General says that he does not plan to prosecute. The Justice Department has created an impression that it is part of an arrangement to bar the state charges because it will not give the state the evidence it has, and Eliot Richardson, before resigning, openly advised the state prosecutors not to prosecute.

QUESTIONABLE MOVES

Both moves are highly questionable. Federal law enforcement officials have always actively cooperated with state officials, especially where some major public interest is at stake. (Obviously, the public interest is only threatened by the Black Panthers, the Weathermen, etc., and not by thieving politicians.)

Secondly, it may not only be unprecedented, but improper, for a federal official to

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tell a state official how and whether to enforce his state laws. Thirdly, Richardson's announcement might hamper the state should it prosecute Agnew because jurors, having been told by a high federal official that a prosecution is needless, would see it only as vindictive.

Richardson's explanation of the unprecedented leniency accorded Mr. Agnew is patently transparent. He claimed that the loss both of the Vice-Presidency and a future political career was punishment enough.

In the first place, the Vice-President does not have important executive powers, a fact which Mr. Richardson's office itself argued in its brief asserting that the Vice-President, unlike the President, could be indicted by a grand jury.

Also, unlike a cloud over the President, the Nation and its institutions are not likely to be seriously disrupted because the person occupying this largely ceremonial office is under charges.

Secondly, Mr. Agnew's potential for the Presidential nomination in 1976, if not eclipsed by his association with the group that brought us the Watergate "horrors," was certainly ended by leaks, perhaps from Richardson's own department, that they had solid evidence against Agnew. So what, in terms of political future, did Mr. Agnew give up?

This is not a blood-thirsty call for revenge or imprisonment. However, it is offensive for a man to callously abuse the public trust and, solely on the basis of high position and "pull" to receive a light penalty.

This is especially true when we know that one-third of our federal prison population is Black and many are there for offenses that are far less serious. In addition to all the usual inhumanity persons experience in prison, they can only be more bitter when they learn of this perversion of justice.

ESPECIALLY GALLING

Mr. Agnew's case is especially galling since he tried to manipulate the anti-Black racial signal of "law and order" to build a safe, silent (white) majority for the Republican Party. He harangued us during the last five years with speeches about criminals, radicals, students, and other "rotten apples" as a device for projecting himself as a righteous, virtuous figure.

And when caught knee-deep in bribery, corruption and income tax evasion, his only explanation is that his was an American, and not an un-American crime. (As he said, it was a "long-established pattern" for Maryland State officials to take money under the table from contractors.)

Mr. Agnew's case must stand as one of the most outrageous deals ever to be made, and the lesson that an all-too cynical public may learn is that if you want to steal \$100,000, spend no time in jail, and come out \$90,000 ahead because you are fined only \$10,000, then you better get elected Vice-President of the United States.

THE PHONY CURE OF CONTROLS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 12, 1973

Mr. DERWINSKI. Mr. Speaker, as I voted against the legislation which gives standby economic controls and have consistently voted against that authorization, I direct to the attention of the Members a column in the Washington Star-News of Saturday, November 10. The article by Jenkin L. Jones which very ef-

fectively describes the pitfalls involved in the controls placed on rising prices.

The article follows:

THE PHONY CURE OF CONTROLS

(By Jenkin Lloyd Jones)

In the evil old days when patent medicine manufacturers could get away with anything, it was customary to lace "consumption cures" with large dollops of opium. The results were marvelous.

The coughing stopped, for the cough mechanism was effectively anesthetized. The astonished and delighted patient fired off a glowing testimonial. Sometimes he had time to write two before lung congestion took him to the undertaker. By interrupting nature's effort to remove infection, the medicine provided a brief appearance of health, and then zap!

Price controls are like the old consumption cures. They "cure" inflation. Prices suddenly cease going up. The consumer is delighted. But generally the producer, caught in a cost squeeze, stops producing. The controlled commodity vanishes from the shelves. So the buyer does without or hunts up a black market.

A classic example is what happened to housing in Germany and France following World War II. The French sought to ease rising rents by slapping on stiff ceilings. It became uneconomical to build housing. Rents were cheap enough, but you had to practically inherit an apartment. Today, 28 years after the war's end, the urban Frenchman is still scrambling for a place to live.

Most German cities were largely destroyed.

People were living in cellars, boxes, tents. But the Germans didn't put on controls. Rents rose astronomically. It was so profitable to produce rental space that the building business roared. Everyone rushed to bulldoze up the rubble and clean the bricks for re-use. The cement mixers churned.

In consequence, within five years the housing crunch vanished. People could become choosy and rents slipped back.

Cheaper beef is no good if there's no beef. We found that out last August. Still, there remains the wistful hope that if some bureaucrat writes a magic number on a price tag, without regard to demand, supply and production incentives, the consumer will be served.

Efforts to fix prices for everything go back 41 centuries to the kings of ancient Sumer. They probably caused the invention of counters so that business could be carried on under them.

It is a sad fact of life that free prices remain steady only as long as supply and demand are in perfect equilibrium. When inventories are drawn down, prices edge up, and when things gather dust in the stockroom, cut-rate sales are offered.

These fluctuations distress everyone, but they are nature's corrective. For, in general, higher prices encourage more production, which meets demand, which softens the market, which causes prices to fall, which increases demand, which strengthens prices.

But what we are beginning to run into in this country is the phenomenon of shortages we never felt before. In a time of higher-than-ever personal incomes, spaghetti-eaters

upgrade to ground round and ground round eaters go for sirloin.

If there were limitless pasture and limitless grain for feed yards, supply would eventually catch up to demand. But the number of head of cattle you can carry on any given acreage is not easily expanded, and the whole world is bidding for our grain supplies. So meat goes up. To artificially hold down the price and thus discourage breeding is nut-house economics.

The cheap energy days are drawing to a close in America. For years it was the Federal Power Commission's policy to hold down the price of natural gas. So most of America threw away its coal shovels and oil burners and hurried to tap into this lovely clean source of instant heat.

As the odds against hitting a good gas well went up and the cost of drilling went up and the price stayed the same, the chances for profitably exploring for gas went down. So wildcatting languished as the market soared. And now we have a gas crunch.

How much better off we would be if we had let the mechanism adjust itself—higher prices, slower conversion from more plentiful fuels, less incentive to waste this most versatile hydrocarbon in inefficient fireboxes, more incentive to find new reserves and a more gradual and orderly adjustment toward the inevitable day when natural gas is gone.

Monkeying with prices seems irresistible to Washington. But a rigged price is not the same as a true value. And value eventually triumphs. The kid who traded a \$1,000 dog for two \$500 cats stayed happy only until he tried to sell the cats.

SENATE—Tuesday, November 13, 1973

The Senate met at 10 a.m. and was called to order by Hon. JAMES ABOUREZK, a Senator from the State of South Dakota.

PRAYER

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

O God, the light of the hearts that see Thee, the life of the souls that love Thee, the strength of the minds that serve Thee, from whom to turn is to fall, to whom to turn is to rise, and, in whom to abide is to stand fast forever, grant that as we turn to Thee we may have light for our hearts, life for our souls, strength for our minds. As we pray for ourselves so we pray for our Nation that it may be born again of the spirit, redeemed by Thy grace, stand secure upon Thy word, and henceforth be obedient to Thy law that it may fulfill Thy purposes in this time of trouble.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., November 13, 1973.
To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES

ABOUREZK, a Senator from the State of South Dakota, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ABOUREZK thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

As in executive session, The ACTING PRESIDENT pro tempore (Mr. ABOUREZK) 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.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1081) to authorize the Secretary of the Interior to grant rights-of-way across Federal lands where the use of such rights-of-way is in the public interest and the applicant for the right-of-way demonstrates the

financial and technical capability to use the right-of-way in a manner which will protect the environment.

The message also announced that a bill (H.R. 9142) to restore, support, and maintain modern, efficient rail service in the northeast region of the United States; to designate a system of essential rail lines in the northern region; to provide financial assistance to certain rail carriers; and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H.R. 4771) to authorize the District of Columbia Council to regulate and stabilize rents in the District of Columbia.

The ACTING PRESIDENT pro tempore (Mr. ABOUREZK) subsequently signed the enrolled bill.

HOUSE BILL REFERRED

The bill (H.R. 9142) to restore, support, and maintain modern, efficient rail service in the northeast region of the United States; to designate a system of essential rail lines in the northern region; to provide financial assistance to certain rail carriers; and for other purposes, was read twice by its title and referred to the Committee on Commerce.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of