to assert itself. Repression of the Jewish community and strained relations with the powerful Kurdish minority are often the result. "There is probably a mixture of rational and unrational reasons behind it," a senior specialist in the Israeli Foreign Ministry said, "most of which will not become clear for several months."

In the meantime, the Israelis are launching a major campaign to focus international attention on the plight of the remaining 400. Appeals have been made to the United Nations, foreign governments and private humanitarian groups to do everything possible to persuade the Iraqis to give an accounting of the arrested men and protect the others in the community.

"The fate of the Jews in Iraq's prisons is still unknown," Premier Golda Meir said last week. "The best we can do is pray for them."

COMMEMORATION OF LITHUANIAN INDEPENDENCE DAY

HON. CHARLES J. CARNEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 20, 1973

Mr. CARNEY of Ohio. Mr. Speaker, I rise to commemorate Lithuanian Independence Day. I speak of a nation whose history reaches back to the 11th century. Lithuania has been thwarted time and again from functioning as an independent state. Finally breaking the czarist shackles on February 16, 1918 at the close of World War I, the Lithuanian people proclaimed their independence and established a free government. This independence was directly challenged by the Bolsheviks, who invaded the newly established state. There were many bitter battles but finally the Lithuanian people emerged triumphant. On July 19, 1920, the Soviet Government signed a treaty of peace. It declared in this treaty—mark these words well—that it "voluntarily and forever renounces all sovereign rights possessed by Russia over the Lithuanian people and their territory."

For 20 years Lithuania knew peace and independence. During this period there was a great renaissance of national literature and culture. But then came the Hitler-Stalin Pact and the partition of Poland between Germany and the Soviet Union. Shortly thereafter the Soviet Union moved against Lithuania by demanding permission to place 20,000 troops in the country and establishing military bases there. Eight months later Moscow delivered an ultimatum calling for the installation of a government friendly to the Soviet Union and the Red Army entered the country in force. Subjugation followed quickly. Three weeks later the Kremlin ordered the dissolution of all non-Communist parties and the arrest of their leaders.

On July 14 to 15 the people were compelled to vote in national elections with only the Communist Party represented. Two days later the legislature chosen in these rigged elections convened its first session and in less than 1 hour without debate voted unanimously to ask the Supreme Soviet of the U.S.S.R. to admit Lithuania into the Soviet state as one of its federated Soviet Socialist republics. Following the brutal fighting on Lithuanian soil during World War II, Soviet reoccupation of Lithuania was firmly established in 1944. Since that time Lithuania has not known independence.

I deplore this tragic history. And I am proud, Mr. Speaker, that our Government to this day has refused to recognize the illegal annexation of the Baltic States by the Kremlin. We must never forget the fight urged by the Lithuanian people to reestablish their complete independence.

HOUSE OF REPRESENTATIVES—*Thursday, February 22, 1973*

The House met at 12 o'clock noon.

Rev. Valdeko Kangro, pastor of the Estonian Evangelical Lutheran Congregation, Manchester, Conn., offered the following prayer:

Almighty God, may Thy Spirit lift us into Thy presence as we seek to glorify Thy name.

We beseech Thy guidance to our Nation, our President, and to the Members of this House, that divine order might manifest itself in our lives and country.

We commemorate the 55th anniversary of the Republic of Estonia, and pray that her freedom, likewise the freedom in Christ, in thought and movement might be restored for all peoples in distress, knowing that Thy Word still stands:

If My people, which are called by My name, shall humble themselves, and pray, and seek My face, and turn from their wicked ways; then I will hear from heaven, and will forgive their sin, and will heal their land.—II Chronicles 7: 14.

Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 39. An act to amend the Federal Aviation Act of 1958 to provide a more effective program to prevent aircraft piracy, and for other purposes;

S. 43. An act to provide for the mandatory inspection of rabbits slaughtered for human food, and for other purposes;

S. 50. An act to strengthen and improve the Older Americans Act of 1965, and for other purposes; and

S. 394. An act to amend the Rural Electrification Act of 1936, as amended, to reaffirm that such funds made available for each fiscal year to carry out the programs provided for in such act be fully obligated in said year, and for other purposes.

The message also announced that the President of the Senate, pursuant to Public Law 86-380, appointed Mr. MUSKIE, Mr. HOLLINGS, and Mr. PERCY as members, on the part of the Senate, of the Advisory Commission on Intergovernmental Relations.

NATIONAL LITTLE LEAGUE DAY

(Mr. ROUSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROUSH. Mr. Speaker, I am today introducing a House joint resolution which I believe to be of interest to many of my colleagues.

This resolution calls upon the President to proclaim the third Monday in June of each year as "National Little League Day" and it calls upon the people of the United States to observe such day with appropriate ceremonies and activities. I believe both goals very worthwhile.

The importance of such a proclamation was brought to my attention by the manager of a Dana Corp. Little League, Ivan D. Standiford of Fort Wayne, Ind. There are many other Little League teams throughout the Fourth Congressional District of Indiana, which I am honored to serve as Representative.

I believe that many of us here are aware of the varied activities of Little Leagues throughout the country, since most of us have children who have participated in the baseball teams that function as Little League teams. Some of us may even remember belonging ourselves.

Either way we are aware of the unique value this kind of activity has for our own children and those of our neighbors. By means of the Little League, children are taught the values of sportsmanship, of cooperation, of wholesome competition, of personal achievement, of athletic and physical excellence. A direction and an interest is given the lives of the children who are fortunate enough to participate in the Little League activities.

I am sure that many a Congressman here today could recount stories of just what being in the Little League has meant to a member of his or her family.

So I believe that it is time we recognize a successful and valuable nationwide movement, a movement which has now spread to some 30 nations throughout the world. And how can we do this? By setting aside 1 day yearly to commemorate and celebrate the national and personal values of the Little League teams. That is the purpose of the legislation I am introducing and I hope it will secure passage rapidly so that we can begin that celebration this year.

A NEW PUBLICATION

(Mr. MATHIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MATHIS of Georgia. Mr. Speaker, my attention has been called to the first issue of a brandnew newspaper being published in the area. It is the Fairfax News & Advertiser.

During an age when we hear of various magazines and newspapers closing their doors and calling it quits, I think it is a healthy sign for the country when we realize the weekly newspaper is still alive and doing well.

The inaugural issue of the Fairfax News & Advertiser went to press on February 8, 1973. Its publisher is Edward Alfriend. While I have not had the opportunity to meet him, I have heard of his outstanding record of community service. He has varied business interests in Virginia and in his native State of Georgia, but he has always found time for humanitarian projects and has been a national leader in the fight against multiple sclerosis.

There was an abundance of news in the first issue:

One of the city's finest historical landmarks, Earp's Ordinary on Main Street now the home of Mrs. Charles Pozer, has been placed on the Virginia Landmarks Register and nominated to the National Register of Historic Places—William F. "Bud" Roeder is named as a candidate for ten outstanding young men of America—Larry White appointed postmaster of Fairfax—George Mason Junior Women's Club held annual banquet—Fairfax Council heard proposals from residents on how to spend its 1972 federal revenue share.

There was feature material about Fairfax Mayor John Russell, along with birth announcements, some advertising, want ads, photographs and much, much more—the things that make a neighborhood weekly so popular.

Mr. Speaker, I am glad to have a copy of volume 1, No. 1, of the Fairfax News and I hope the paper will have a long and distinguished career.

TOWARD CONTROL OF MOOD DRUG ADVERTISING ON TV

(Mr. ROGERS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ROGERS. Mr. Speaker, I am very pleased to bring to the attention of the House a matter which I think is of great importance to the American people.

After several meetings with the National Association of Broadcasters, at which time I expressed my concern and the concern of the Congress about the advertising of mood drugs on television, the National Association of Broadcasters has proposed a TV code for such advertising.

I am very pleased that the broadcasting industry has taken the course of self-regulation in the area of mood drug advertising. I consider the guidelines as a public service of the first magnitude.

The most critical one, I believe, is the one which says that ads will avoid depicting someone who has taken a pill in one mood rapidly and handsomely changed after taking the pills.

I hope that this will result in an end to the Cinderella syndrome which over-the-counter drugs have created on television.

I am sure the pharmaceutical industry will cooperate fully with the broadcasting industry in making these changes for the benefit of the public.

I am sure that Members of Congress commend the National Association of Broadcasters for this self-regulation. Certainly this is a preferable way to handle matters, to let industry regulate itself where possible. I join in commending them, and I am glad they have responded to the urgings of those on our committee to do something about advertising of mood drugs to the American people.

EMERGENCY LOAN PROGRAM

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 226 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

HOUSE RESOLUTION 226

Resolved, That upon the adoption of this resolution it shal be in order to move, clause 27(d)(4) of rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the Senate of the Union for the consideration of the bill (H.R. 1975) to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to my distinguished colleague, the gentleman from Tennessee (Mr. QUILLEN) pending which I yield myself such time as I may consume.

Mr. Speaker, this rule provides for an open rule with 1 hour of general debate on H.R. 1975, which is a bill to provide a source of emergency loan funds for those farmers and ranchers in disaster areas.

The Department of Agriculture greatly curtailed the existing emergency loan program in December of 1972, because the demands for forgiveness were so great that it felt the program was much too costly. The Department of Agriculture now supports H.R. 1975 because this bill eliminates the forgiveness provision and provides that an applicant establish a definite need for the loan. It also raises the interest rate to 6 percent.

Mr. Speaker, I urge adoption of the resolution, and I yield to the gentleman from Tennessee.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the resolution reported by the Rules Committee, House Resolution 226, provides for a 1-hour open rule, waiving points of order for failure to comply with the 3-day rule. The bill made in order by the rule is H.R. 1975 dealing with the emergency loan program.

The purpose of H.R. 1975 is to provide a workable emergency loan program. This bill is necessary because the existing emergency loan program became too expensive to operate, and as a result, was curtailed in many areas on Dec. 27, 1972.

In the 1960's the Farmers Home Administration emergency loan program provided loans at a 3-percent interest rate to people in disaster areas who could certify that credit was unobtainable from a conventional source. Then the Disaster Relief Act of 1970 provided forgiveness up to $2,500 on loans over $500, where disaster losses were not insured. Finally, Public Law 92–385 signed on August 16, 1972, following the Rapid City disaster and Hurricane Agnes, provided emergency disaster loans at 1-percent interest with a $5,000 forgiveness provision. This special assistance was to cover the period between January 1, 1972, and July 1, 1973.

However, demands for forgiveness were greater than expected. The emergency loans that were actually made in the first 6 months of fiscal year 1973 were more than double any previous loaning period. The administration estimates that $1 billion in loans might have been made by the end of fiscal year 1973. It is also estimated that the $5,000 forgiveness figure would cause as much as 70 to 75 percent of these loans to be forgiven. On December 27, the Department of Agriculture announced that the emergency loan would be curtailed.

This bill, H.R. 1975, is designed to set up a workable emergency loan program. It eliminates the loan forgiveness provisions in existing law. This bill sets interest rates at a level not to exceed 6 percent, and would require that successful applicants be unable to obtain credit elsewhere at reasonable rates and terms.

If H.R. 1975 is enacted the Department of Agriculture estimates that $50 million in loans would be made during the remainder of fiscal year 1973. It is anticipated that the average yearly loan volume over the next 5 years will be approximately $100 million per year.

The administration favors enactment of this bill.

The Agriculture Committee reported the bill favorably by a vote of 22 to 3.

Mr. Speaker, I urge adoption of the rule.

Mr. Speaker, I reserve the balance of my time.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Com-

mittee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1975) to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 1975, with Mr. ROUSH in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. POAGE) will be recognized for 30 minutes, and the gentleman from California (Mr. TEAGUE) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. POAGE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill is one of a series of bills which it is hoped will restore some degree of responsibility to the Department of Agriculture for the development of the rural areas of this country. This House before the recess passed lgeislation restoring the REAP program, next week this House will be confronted with legislation which has already come out of our committee restoring the rural water and waste disposal systems, and the committee will next week consider the restoration of the rural electric and rural telephone programs.

The bill before us today has very little if any opposition. I do not mean that the individuals opposing it are not of great importance, but I am sure there will be very few of them who will oppose this legislation because it does not restore the emergency disaster loan program in the form in which it has existed for the last 6 months, but rather it approaches the problem in a form which we understand to be acceptable to practically everyone concerned about this matter. We have eliminated the questional forgiveness provision. We have raised the interest to current rates or at least to 6 percent, which seems to be about current. We believe that with those changes there should be very few opposing this legislation.

The Department has approved the bill as it stands. It has the approval of the committee by a vote of 22 to 3, and we believe that it should not take an undue amount of the time of this House, and I am not going to try to burden the Members with any lengthy explanation of it.

Mr. Chairman, I reserve the balance of my time.

Mr. TEAGUE of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there is no purpose in my taking up the time of the House in furthering the explanation given by the gentleman from Texas (Mr. POAGE). He adequately explained the purpose of the bill. It has my support and the support of the administration and I urge my colleagues to vote in favor of its final passage. I consider any amendments—those I know of—which may be offered, as unnecessary.

Mr. Chairman, I reserve the balance of my time.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Chairman, I am the author of the bill.

Mr. Chairman, at this moment there are farmers in this land of plenty who do not know whether they are finished or whether they will till the soil another year. Thousands of farm families are enduring the winter on hope and determination.

H.R. 1975 is a bill to provide a source of emergency loan funds for farmers and ranchers whose credit has been impaired because of natural disaster.

The speed with which the Committee on Agriculture has acted on this legislation is clear evidence of the grave concern for insuring that our farmers are able to continue their critically important work of producing food and fiber for this Nation.

Last November, 17 of 21 counties in the First Congressional District of Arkansas, sustained an estimated $80 million in agricultural crop losses resulting from flooding caused by heavy, unseasonable rains.

The interest generated among our colleagues in this proposal clearly indicates that the losses to farmers from natural disasters during 1972 were also felt in many other States.

The existing emergency loan program was curtailed by the Secretary of Agriculture on December 27, 1972, which action left thousands of farmers with their backs against the wall.

The principal reason stated by the Secretary for his action was the high cost of administering emergency loans providing for a 1-percent interest rate and a $5,000 forgiveness clause. The Secretary estimated that full application of these provisions to those who were eligible would cost in the range of $1 billion.

This bill repeals the $5,000 forgiveness clause and provides that loans shall be made at costs not to exceed 6 percent per annum. The maker of a note would pay a rate of interest that would be equivalent to the cost of money to the Government.

The Farmers Home Administration has been beset with a multiple of problems during the past several years. One common complaint among taxpayers is the lack of sufficient personnel needed to administer the wide range of duties that have been assigned to it by the Congress.

To compound this problem, Agriculture officials have indicated that further personnel cuts are anticipated. Taking these facts into consideration it is the clear and unequivocal intent of this legislation that special attention shall be given to the use of the guaranteed loan approach of providing credit.

There is no way that the USDA can hope to achieve the goals of this legislation without using the guaranteed loan method. It is the committee's intent that in the administration of the disaster loan program, full use of guaranteed loans be made. The committee intends that private lenders, including the agencies of the farm credit system, should actually make these loans with the guarantee of the Federal Government.

The employees of the Farmers Home Administration are already overburdened, and certainly the future will bring on new responsibilities, particularly as a result of enactment of the Rural Development Act. It would be sound to utilize the expertise and experience of private financial institutions in making and servicing emergency loans. This certainly would lessen the burden on the county FHA offices. The utilization of guaranteed loans should make assistance available to more persons while reducing administrative costs.

The hearings on this bill revealed that in the past emergency loans have been made under terms which eventually become too burdensome to the borrower. It is the intent of this legislation to liberalize credit to farmers in disaster areas. Evidence during the hearing revealed that there were many occasions when a farmer was given a 1-year loan only to discover that there was no possible way he could recover within a 1-year period. The committee intends that loans shall be made of longer duration to give the farmer every opportunity to recover from his losses. Consideration shall be given by the Farmers Home Administration to consolidation of loans, and particularly the length of time within which one could reasonably amortize a debt.

One of the reasons for the existence of the Farmers Home Administration is to provide a helping hand to farmers and ranchers who are faced with hard times because of natural disasters. It is intended that the USDA should consider the human factor and that it should not pursue a cold, heartless policy that has in the past been a factor in the depopulation of rural areas wherein thousands of farm families have migrated to the rot and ruin of the urban ghetto.

I include the following:

COUNTIES DESIGNATED BY THE SECRETARY OF AGRICULTURE AS DISASTER AREAS DURING 1972

Arizona: Apache, Cochise, Coconino, Gila, Graham, Greenlee, Mohave, Navajo, Pima, Pinal, Santa Cruz, Yavapai.

California: El Dorado, Fresno, Kern, Kings, Madera, Merced, Nevada, Placer, San Benito, San Joaquin, San Luis Obispo, Santa Cruz, Stanislaus, Tehama, Tulare, Santa Barbara, Santa Clara.

Colorado: Delta, Mesa, Montrose.

Connecticut: Fairfield, Hartford, Litchfield, Middlesex, New Haven, New London, Tolland, Windham.

Delaware: Kent, New Castle, Sussex.

Florida: Gulf.

Georgia: Baker, Baldwin, Effingham, Emanuel, Jefferson, Jenkins, Johnson, Laurens, Miller, Mitchell, Montgomery, Screven, Telfair, Treutlen, Washington, Wheeler.

Iowa: Harrison, Humboldt, Pocahontas, Webster, Chickasaw, Delaware, Dubuque, Fayette, Floyd, Hamilton, Jones, Linn, Wayne, Wright.

Maryland: Allegany, Garrett.

Massachusetts: Barnstable, Berkshire, Bristol, Dukes, Essex, Franklin, Hampden, Hamp-

shire, Middlesex, Nantucket, Norfolk, Plymouth, Suffolk, Worcester.

Michigan: Allegan, Berrien, Cass, Kent, Muskegon, Newaygo, Oceana, Ottawa, Van Buren, Menominee.

Minnesota: Big Stone, Chippewa, Douglas, Grant, Kandiyohi, Lac qui Parle, Meeker, Pope, Renville, Stevens, Swift, Traverse, Wilkin, Yellow Medicine, Stearns.

Nebraska: Lincoln.

New Hampshire: Belknap, Carroll, Cheshire, Coos, Grafton, Hillsborough, Marrimack, Rockingham, Strafford, Sullivan.

New Jersey: Bergen, Essex, Hudson, Hunterdon, Morris, Ocean, Passaic, Sussex, Union, Warren, Atlantic, Gloucester, Salem.

New Mexico: Bernalillo, Catron, Chaves, Colfax, Curry, De Baca, Dona Ana, Eddy, Grant, Guadalupe, Harding, Hidalgo, Lea, Lincoln, Luna, McKinley, Mora, Oterb, Quay, Rio Arriba, Roosevelt, Sandoval, San Juan, San Miguel, Santa Fe, Sierra, Socorro, Taos, Torrance, Union, Valencia.

New York: Cortland, Erie, Franklin, Genesee, Jefferson, Lewis, Niagara, Orleans, Sullivan.

North Carolina: Davidson, Davie, Forsyth, Rockingham, Stokes, Surry, Yadkin.

Ohio: Defiance, Henry, Paulding.

Oklahoma: Alfalfa, Beaver, Beckham, Blaine, Caddo, Canadian, Cimarron, Cleveland, Choctaw, Comanche, Cotton, Custer, Dewey, Ellis, Garfield, Grady, Grant, Greer, Harper, Harmon, Jackson, Jefferson, Kingfisher, Kiowa, Logan, Major, McClain, Roger Mills, Stephens, Texas, Tillman, Washita, Woods, Woodward.

Oregon: Lake, Jackson.

Puerto Rico: Adjuntas, Arroyo, Barranquitas, Cayey, Ciales, Corozal, Juana Diaz, Morovis, Orocovis, San German, Yauco.

Rhode Island: Bristol, Kent, Newport, Providence, Washington.

South Dakota: Beadle, Brookings, Brown, Clark, Codington, Davison, Day, Deuel, Grant, Hamlin, Hanson, Kingsbury, Miner, Roberts, Sanborn, Spink, Yankton.

Tennessee: Benton, Carroll, Chester, Crockett, Dyer, Gibson, Haywood, Henderson, Madison, McNairy.

Texas: Andrews, Anderson, Angelina, Aransas, Archer, Armstrong, Atascosa, Austin, Bailey, Bandera, Bastrop, Baylor, Bee, Bell, Bexar, Blanco, Borden, Bosque, Bowie, Brazoria, Brazos, Brewster, Briscoe, Brooks, Brown, Burleson, Burnett, Caldwell, Calhoun, Callahan, Cameron, Carson, Castro, Chambers, Cherokee, Childress, Clay, Cochran, Coke, Coleman, Collin.

Collingsworth, Colorado, Comal, Comanche, Concho, Cooke, Coryell, Cottle, Crane, Crockett, Crosby, Culberson, Dallam, Dallas, Dawson, Deaf Smith, Delta, Denton, DeWitt, Dickens, Dimmit, Donley, Duval, Eastland, Ector, Edwards, Ellis, El Paso, Erath, Falls, Fannin, Fayette, Fisher, Floyd, Foard, Fort Bend, Freestone, Frio, Gaines, Galveston, Garza, Gillespie, Glasscock, Goliad, Gonzales, Gray, Grayson, Gregg, Grimes, Guadalupe, Hale, Hall, Hamilton, Hansford, Hardeman.

Hardin, Harris, Hartley, Haskell, Hays, Hemphill, Henderson, Hidalgo, Hill, Hockley, Hood, Hopkins, Houston, Howard, Hudspeth, Hunt, Hutchinson, Irion, Jack, Jackson, Jasper, Jeff Davis, Jefferson, Jim Hogg, Jim Wells, Johnson, Jones, Karnes, Kaufman, Kendall, Kenedy, Kent, Kerr, Kimble, King, Kinney, Kleberg, Knox, LaMar, Lamb, Lampasas, LaSalle, Lavaca, Lee, Leon, Liberty, Limestone, Lipscomb, Live Oak, Llano, Loving, Lubbock, Lynn, McCulloch, McLennan.

McMullen, Madison, Martin, Mason, Matagorda, Maverick, Medina, Menard, Midland, Milam, Mills, Mitchell, Montague, Montgomery, Moore, Motley, Nacogdoches, Navarro, Newton, Nolan, Nueces, Ochiltree, Oldham, Orange, Palo Pinto, Parker, Parmer, Pecos, Polk, Potter, Presidio, Rains, Randall, Reagan, Real, Red River, Reeves, Refugio, Roberts, Robertson, Rockwall, Runnels, Sabine, San Augustine, San Jacinto, San Patricio, San Saba, Schleicher, Scurry, Shackleford, Shelby, Sherman, Smith, Somervell, Starr.

Stephens, Sterling, Stonewall, Sutton, Swisher, Tarrant, Taylor, Terrell, Terry, Throckmorton, Tom Green, Travis, Trinity, Tyler, Upton, Uvalde, Val Verde, Van Zandt, Victoria, Walker, Waller, Ward, Washington, Webb, Wharton, Wheeler, Wichita, Wilbarger, Willacy, Williamson, Wilson, Winkler, Wise, Yoakum, Young, Zapata, Zavala.

Utah: Box Elder, Davis, Salt Lake, Utah, Washington, Weber, Beaver, Emery, Garfield, Grand, Iron, Juab, Kane, Millard, Piute, San Juan, Sanpete, Sevier.

Vermont: Addison, Bennington, Caledonia, Chittenden, Essex, Franklin, Grand Isle, Lamoille, Orange, Orleans, Rutland, Washington, Windham, Windsor.

Virginia: Essex, Lancaster, Mathews, Middlesex, Northumberland, Richmond, Westmoreland.

Wisconsin: Buffalo, Grant, Pepin.

Wyoming: Park.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, is it my understanding that there is no more forgiveness money in this bill?

Mr. ALEXANDER. The gentleman is correct. If you will recall, last year the House with the approval of the Senate passed the Agnes-Rapid City Act wherein a 1-percent-interest loan and the $5,000 forgiveness clause was extended to designated disaster areas.

On December 27, the Secretary of Agriculture announced that the expense of administering this law precluded him from carrying it out. This bill repeals the $5,000 forgiveness clause together with the 1-percent-loan provision and obviates the opposition of the Department.

Mr. KAZEN. It is my understanding that before we passed that bill, the law stated that there would be a $2,500 forgiveness feature. We came along with the Agnes-Rapid City Act and raised it to $5,000.

Why did the committee take out the original $2,500 feature?

Mr. ALEXANDER. Because the Department of Agriculture, in effect, proclaimed that it would not administer the law.

Mr. KAZEN. Well, does not the Congress have the right to tell them how to administer these programs?

Mr. ALEXANDER. I agree with the gentleman from Texas. I have on numerous occasions stood up for this body and attempted to assert the position of the legislative branch.

In this particular case, we are literally dealing with an emergency situation where we have got thousands of people out here who are uncertain whether they are going to farm another year or not.

Farmers are sitting on the sidelines, without needed help, while our debate rages in Congress and in the courts on this question of separation of powers. Our people need assistance now. Not next year. We are merely being practical about the need for that assistance. We are repealing those provisions that are objectionable in order to provide help to people who need help now. We can fight the battle of Constitution on less urgent legislation.

Mr. KAZEN. Is it the intention of the gentleman or anybody else on the Committee on Agriculture to debate, or at least to introduce a bill, which would add this type of feature in it?

I represent a district which has been hit by three disasters in 6 years, and I have a lot of small farmers who just cannot afford to get money from banks, to borrow money from banks. They have seen all of their assets destroyed. They do not have the capacity of repaying back loans at 6 percent.

Mr. ALEXANDER. I am in complete sympathy and understanding with the gentleman. I have a number of people who fit within his description. One of the provisions of this bill is to order the Secretary of Agriculture in administrating this bill to liberalize terms of credit for small farmers.

In the past, as was testified to during the hearings on this bill, the Secretary said, in effect, that the Department does not extend credit now under present law to anyone who cannot repay. We say in the report, if the gentleman would examine it, that it is the intent of Congress and we direct the Secretary of Agriculture to liberalize the terms of credit in cases where it is needed. I will refer the gentleman to the report.

Mr. KAZEN. There is one question in my mind, that there ought to be some type of flexibility to be able to extend credit to people who cannot pay back, but you are marking these people in at 6 percent, which is going to make it very difficult for these people.

Mr. ALEXANDER. I would like to point out to the gentleman that the 6-percent provision is a maximum. The law requires that no more than 6 percent would be charged to anyone who received a loan under this act.

The reason for the 6 percent is to allow credit to be extended at the cost to the Government, and that this cost, whatever it may be, which may be less than 6 percent.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. YOUNG of Texas. Mr. Chairman, I yield 1 additional minute to the gentleman from Arkansas.

Mr. ALEXANDER. I thank the gentleman for yielding.

The cost would be passed on to the borrower. We feel in the committee that by using this procedure whereby the front-in cost to the Government could be passed on to the borrower we could encourage—we have in fact directed—the Secretary of Agriculture to liberalize the terms of credit in receiving applications so that credit could be extended to more people and it would cover a wider range of people than now.

Mr. KAZEN. Did I correctly understand the gentleman to say that 6 percent is the maximum, and they could charge less than 6 percent?

Mr. ALEXANDER. The gentleman is correct. The provision as it is now says, the Secretary shall make loans in any such area at a rate of interest not to exceed 6 percent per annum.

Mr. KAZEN. I thank the gentleman.

Mr. FLOOD. Mr. Chairman, there is no need to state to this body what my

position is with regard to the restoration of the emergency rural loan program. My views are well known on the subject. I have supported this program in the past, I support it now, and I will support it in the future; and I speak from vast experience.

Besides destroying over 80 percent of the urban areas in my congressional district, Hurricane Agnes had enormous impact upon rural and farm lands. The farmers lost not only many homes and outbuildings, but their standing crops and in many, many cases the very soil itself. These men—just as deserving of equitable compensation and low interest loans as are city dwellers—were in desperate need of a helping hand from their Government as a first step toward recovery, and they got that helping hand, and to deny it to them in the future would be to turn the Government's back on them and ignore their needs in a time of virtual catastrophic disaster. This we cannot do.

What we must do instead is to restore the emergency rural loan program whereby low interest loans would be made available at a rate not to exceed 3 percent. This is a bare minimum of aid I can assure you. We must encourage individuals to utilize their own resources as the path toward recovery from a natural or other disaster; however this does not mean that we should forget the grave consequences of allowing farmers to make that journey without the aid of their Government. Those consequences would be the delay of a return to normalcy, and in the case of many small farmers, of forced bankruptcy and an end to their productivity and the productivity of the Nation.

To say that the Farmers Home Administration loan program is adequate to meet emergency needs is to miss the meaning of what an "emergency" is. In times of disaster, and in the many excruciatingly long months which follow total ruin, a farmer must react quickly if he is to in any way recover. Emergency repair work must be done on the farm; in many cases a new crop must be sown so as to avoid the loss of topsoil; equipment, often lost in a disaster, must be replaced—all of these problems faced by farmers result in a huge financial headache. The cure for that massive headache is almost always an infusion of money through a loan. Barring the availability of loans at a suitable interest rate from private institutions, the only hope for the survival of these men and their families is a low interest FHA disaster loan.

Whenever the Secretary of Agriculture or the President find that conditions exist which warrant the provision of such loans, they shall declare such areas to be disaster areas and make, guarantee, and insure loans to such areas. Is this too much to ask? Loans. Loans, which will be repaid by hard working and dilligent American farmers whose only sin was to be in the path of a tornado, in the torrent of a river, or in the merciless dust of a drought. Is this too much to ask? Mr. Chairman, I think not. The farmers of this Nation think not, and I urge each and every one of you to well consider the serious failure or our Government if we turn our backs on such a meager and well deserved request.

Mr. HAMMERSCHMIDT. Mr. Chairman, as cosponsor of H.R. 3342, which is an identical measure to H.R. 1975 introduced by my distinguished colleague from Arkansas, I strongly urge favorable consideration of this legislation to restore the emergency loan program.

I concur with the goal of the administration in holding down the level of Federal spending in an effort to reverse the trend in the rising deficit and contain our economy's inflationary spiral. However, I have strong reservations about the abrupt termination of numerous programs which pose undue hardships on the agricultural sector of our national economy.

The emergency loan program was one such program which was halted without an alternative proposal. H.R. 1975 offers a compromise which retains a reasonable method of loan assistance for disaster relief and removes the costly portions of the program terminated.

H.R. 1975 removes the "forgiveness" clause which mandated up to $5,000 in loan forgiveness where disaster losses were not insured in a disaster area. This 1972 amendment to the Disaster Relief Act of 1970 exceeded tremendously the expectations for cost of the clause. H.R. 1975, in the long-term view, will place the emergency loan program on a self-funding basis. The bill will furthermore place the program on a realistic level, in line with current Government lending practices, by establishing interest at 6 percent maximum and requiring that applicants be unable to acquire credit from private enterprise sources at reasonable rates and terms.

Also consistent with the trend in current Government financing, loans would be insured and not on a direct basis as previously provided for in Disaster Relief Act provisions. The proposed program in H.R. 1975 would still provide significant assistant to rural America in the event of disaster, but I cannot see how it would contribute appreciably to either the rising deficit or pose an inflationary stimulus.

H.R. 1975 is a step in the direction of fiscal responsibility. It is sound legislation incorporating reasonable monetary policy, strong regulations against abuse, and extension of Federal aid in cases of need which cannot be met from the private sector of the economy.

This legislation will greatly benefit the Federal Government's interest in safeguarding taxpayers in vital agricultural production areas when natural disaster strikes and there are no other resources for relief to restore economic health. It is my understanding that an amendment might be offered that would restore the forgiveness feature and lower the interest rate back to 1 percent in disaster areas. This makes the bill more costly by $350 million. Should this prevail I'm afraid that goes against the original intent of the legislation and I would have to withdraw my support.

I urge my colleagues to cast their votes in favor of H.R. 1975. If it remains unamended.

Mr. McDADE. Mr. Chairman, on August 16 of last year the President signed the Agnes Disaster Act which was the most comprehensive disaster assistance act ever passed in America.

Among other things, it zeroed in on the Agnes disaster to provide a $5,000 forgiveness clause with no provision that any part of this must be considered a loan, and for the payment of 1-percent interest on that portion of the loan above $5,000. The act very clearly made the FHA and SBA equal in the administration of this loan program with the forgiveness clause and the act clearly was retroactive.

To date the act has not been administered that way by the Department of Agriculture.

In the wake of Hurricane Agnes it was clear that the law had to be changed to provide assistance for those who were struck by this greatest natural disaster in the history of America.

To begin the recovery instantaneously, the Federal Government sent messengers into the disaster area to urge that applications be filed for assistance and made it perfectly plain that new legislation was being written in the Congress which would be retroactive and which would provide even greater assistance than the Disaster Act of 1970. Those who were struck by the disaster set about filing their applications and when the law was signed by the President on August 16, it was indeed retroactive to cover all applications which had been submitted to both FHA and SBA.

I am delighted to inform the Congress that SBA has administered this law correctly. They set about converting all disaster loans so as to include the $5,000 foregiveness clause and the 1-percent interest. This took care of the urban areas in the disaster region. Unfortunately, however, the FHA issued no directives on converting those loans for which application was made between the day of the disaster and the day the bill was signed into law. In effect, the failure to issue directives for this conversion was penalizing those who had done precisely what they were asked to do—to make an immediate assessment of the damage and to make the application forthwith. It represents a discrimination against the rural portion of the Agnes disaster area whereas the SBA had done precisely what the law intended in doing everything possible under this act to get the wheels of industry turning once more.

I am now delighted to report that the Department of Agriculture in the person of Assistant Secretary Roger Knapp, Acting Administrator of FHA Mr. Dunn, and General Counsel Jack Kanabel have authorized me to state that regulations and directives are being prepared at this moment and will be issued in the immediate future to convert all of those loans made between the date of the Agnes hurricane and August 16 so as to provide the full benefits of the disaster act.

This was the intent of Congress in writing the law and the intention of the President when he signed the law. It is the proper thing for the Secretary of Agriculture to do so that the Department may be in conformity with the law. It

is essential to insure that rural America will be treated the same as urban American.

Mr. STEIGER of Wisconsin. Mr. Chairman, I strongly support the provisions of H.R. 1975 as reported by the Committee on Agriculture.

This legislation reinstates the emergency loan program as it was originally intended when first enacted by the Congress. It provides needed credit sources to farmers who lose a substantial amount of their production for causes beyond their control. The program is designed to help those family farmers who are unable to get credit from conventional sources at reasonable rates and terms.

In my own State of Wisconsin, excessive rains in both the spring and fall have prohibited good cultivation, reduced crop yield, inhibited harvesting, and in some cases, restricted preparation for this year's crops. These farmers need a helping hand to get them back on their feet and keep them in business. Bad weather affects all farmers and increases costs. If no relief is available, as is the case today, many good farmers will opt to leave farming for more secure professions. We cannot afford this, and therefore we cannot afford not to make this loan program available to distressed farmers.

Mr. Chairman, although I am in sympathy with the intentions of the amendment offered by the gentleman from Minnesota (Mr. BERGLAND) I feel that adoption of this amendment would be a disservice to American farmers. The principal reason the administration terminated the disaster program, is that the forgiveness provision and low interest were simply too costly and frankly did not meet the problem faced by farmers.

Although we all could use a free $5,000, farmers now need credit which is not available. The forgiveness feature simply reinstates a terminated program and invites a presidential veto on the same grounds; it is too costly. In the meantime, throughout our debating with the administration, our distressed farmers are no better off than they are today; without a program to help them over the hump.

Mr. Chairman, the bill as reported by the Committee on Agriculture has administration approval and returns to a program meeting the basic need for farm credit in natural emergencies. Farmers in my district and across the country need help now and this bill fills their needs. I urge my colleagues to exercise restraint and pass this measure as reported.

Mr. BOWEN. Mr. Chairman, I believe this bill is vitally important in helping maintain a sound agricultural economy and providing our rural communities with the resources to recover from heavy losses due to natural disasters.

This legislation would restore about $50 million in critically needed emergency loan funds for our rural communities and hard-pressed farmers in disaster-stricken areas for the remainder of this fiscal year and would make available up to $100 million annually for the next 5 years.

This bill replaces a similar rural emergency disaster loan program which the White House halted 2 months ago with its harsh and precipitate impoundment action. I feel, along with many of my colleagues in the Congress, that our rural areas and farmers desperately need an emergency loan fund in times of natural disaster such as storms, floods, freezes, or drought, especially those who are unable to obtain credit at reasonable rates from regular commercial sources.

The people in my district and my State know full well the disaster which can strike swiftly, suddenly and with a terrible economic impact, wiping out farms, livestock, crops and homes.

Since the President has shut down the present disaster loan program, the only assistance available is the operating loan program of the Farmers Home Administration. This is available only for family-sized farms.

I feel that the farmers of Mississippi would rather have disaster loan funds available at 5 or 6 percent interest than no funds at 1 percent interest.

Although no counties in my State have been designated so far under the program which the President has abruptly terminated, many have suffered severe losses through the disastrously wet fall and winter and would welcome the opportunity to be considered for designation and an opportunity to seek assistance.

I strongly urge the Members of the House to vote favorably on this vital piece of legislation to help our farmers and rural communities recoup during time of crisis due to natural disasters.

Mr. STUCKEY. Mr. Chairman, we have seen the administration cut rural program after rural program, many of which have operated successfully for a number of years. The emergency loan program operated by the Farmers Home Administration is one such program.

The administration says it curtailed the funds for this program because it is too costly. If the program had been allowed to continue in its present form until it expired June 30, the cost would have been $800 million. I do agree that the program has become too expensive as a result of changes made in the law last year. But I think the way to correct this situation is not to completely eliminate a basically very good program but to revise it. Thus, I strongly support the bill before the House today to do just that.

My district is predominately a rural one that often suffers the effects of hurricanes and other natural disasters. During my 6 years in office, it has been declared a natural disaster area several times. The more lucrative farmer and homeowner usually is covered by insurance or can get a loan to cover his damages. But a number of small farmers, and I have many in my district, will not have any credit at all if the emergency loan program does not continue.

Shall we force people to go on welfare of some form of Federal assistance if the means is denied them to cope with natural disasters? The farmer and rural homeowner definitely needs the protection offered by the emergency loan program.

Mr. MIZELL. Mr. Chairman, I rise at this time to express my support for the emergency disaster loan legislation reported by the Committee on Agriculture with the amendment offered by my distinguished colleague from Georgia (Mr. MATHIS).

The committee bill, H.R. 1975, repeals the emergency disaster legislation passed by the Congress last fall, and reinstates with certain modifications the emergency loan program established by the Consolidated Farm and Rural Development Act of 1961.

As reported by the committee, H.R. 1975 contains the following major provisions.

First. It repeals the "forgiveness" clause for emergency disaster loans, which allowed for loans of up to $5,000 to be forgiven—not repaid—making the loans actually Federal grants.

Second. It reinstates the disaster designation for areas previously designated by the Secretary of Agriculture for disaster assistance eligibility, making it possible for farmers in these areas to apply once again for the special disaster loans. This eligibility had been terminated by the administration as a means of terminating the "forgiveness" clause which might well have cost the Government $1 billion this year.

Third. It provides for an interest rate of 6 percent for disaster loans. The Mathis amendment reduces the rate to 5 percent, and as I noted, I support his amendment.

Fourth. It provides that disaster loans may not be approved unless credit cannot be obtained elsewhere. This provision repeals the "first-come, first-served" policy enacted with last year's Hurricane Agnes-Rapid City bill, and replaces it with a formula based on actual, documented need.

These are good and necessary provisions, Mr. Chairman, designed to help farmers in distress in a reasonable and effective way, and I would be happy to support legislation in this form.

But my support does not extend to the amendment being proposed today by the gentleman from Minnesota (Mr. BERGLAND) which provides for an 18-day extension of the present program—complete with its forgiveness clause—which would cost the Government an additional $300 million by best estimates.

I do not believe this to be the wisest course for the Congress to follow, to provoke a Presidential veto with the Bergland amendment and thus jeopardize the entire emergency loan program.

The preferable course, in my opinion, would be to enact H.R. 1975 with the Mathis amendment and without the Bergland amendment. Legislation in this form would enjoy the support of both the Congress and the administration, and it would insure an immediate and responsible means of relief for the disaster-stricken farmers of America.

Mr. RANDALL. Mr. Chairman, I support H.R. 1975—the emergency loan program—because I regard it as a needed source for emergency loan funds for those farmers or ranchers in areas now or hereafter to be determined to be disaster areas by either the Secretary of Agriculture or the President of the United States. I support the bill because this program was curtailed by action of

the Department of Agricuture on December 27, 1972, on which date the Farmers Home Administration offices were instructed to cease receiving and processing applications for emergency aid for farm owners or rural homeowners in counties which had been theretofore carried on an emergency designation by the Secretary of Agriculture for 60 days or more.

Mr. Chairman, I support this bill without knowing whether or not there happens to be any counties in the State of Missouri or our congressional district among the 555 counties enumerated which were excluded by the Secretary of Agriculture on December 27. Of course, Missouri was not included in the Agnes/Rapid City Act, but, notwithstanding, I know that as a result of the ice storms in our district in November and December some of the counties in our congressional district were very close to being eligible to be within the declaration of a disaster county.

To fail to support either H.R. 1975 or the Bergland amendment simply because some county in our congressional district may not have been included is to be too completely provincial or too entirely parochial. For my part, I recognize the merit of this bill from a humanitarian standpoint. I am privileged to support it for that reason.

There must be some merit to H.R. 1975 because it was reported from the committee by a vote of 22 to 3. The only reason the Bergland amendment was not adopted in committee was because it was technically defeated as a result of a tie vote, 16–16. It should be pointed out that all the Bergland amendment does is to reopen eligibility for 1-percent loans with the forgiveness feature for 18 days in the 555 counties that have been heretofore declared disaster areas by the Secretary of Agriculture. It should be recalled that the decision of December 27, 1972, contained the 18-day grace period for victims of Hurricane Agnes in 358 counties declared eligible under the Presidential order but made no similar provisions for the farmers in the 555 counties declared disaster areas by the Secretary of Agriculture.

The reason the Bergland amendment becomes so necessary is that it is needed to redress a major inequity contained in the President's December 27 decision. His action on that date, in the judgment of many, was a breach of trust. The U.S. Department of Agriculture had assured applicants—farmers—that there was no use to speed applications, and even encouraged farmers to delay applications to permit clearing of administrative backlogs.

Mr. Chairman, perhaps a few words should be expressed in comment upon the potential impact, not only of H.R. 1975, but also the Bergland amendment to H.R. 1975. Such an expression is necessary not only because we are here dealing with a new piece of legislation, H.R. 1975, but also because we are concerned with its effect on both the Disaster Relief Act of 1970 as well as the Agnes/Rapid City Act. Then in the background is the permanent 1961 Disaster Relief Act, which underlies both.

To thread through the complexities of the situation, we should first assume that H.R. 1975 goes to the President with the Bergland amendment and is approved by the President which means accepting the Bergland amendment. This would mean that we would then have a law requiring proof of need before granting a loan with 6-percent interest.

As a second possibility the President could veto H.R. 1975. This would still leave the 1970 act intact and also the Agnes/Rapid City Act where only the President could designate disaster areas. In the event the President should declare a disaster area prior to June 30, 1973, then those areas would fall under the forgiveness feature and also the 1-percent feature of the Agnes/Rapid City Act.

Third, if the President vetoes H.R. 1975 and Congress takes any action, then the permanent 1961 Disaster Relief Act would again become effective, with a requirement to show or certify need of aid to receive a loan with interest of 3 percent.

Because there is a very complicated series of alternatives involved, the question could properly be asked why the administration did not substitute the 1961 law on December 27, 1972. The answer is that the administration believes that the Agnes/Rapid City Act supersedes the 1961 law and to attempt the substitution of the 1961 law would involve law suits which could prove embarrassing and very costly. The fact of the matter is that the administration needs H.R. 1975, both to replace the Agnes/Rapid City law and later to replace the 1961 law.

Mr. Chairman, the choices here are so complex that I spread these remarks on the record in an effort to explain the alternatives involved. In my judgment, the farmers not only of my area, but nationwide are aware of the 1961 law. They prefer its provisions over H.R. 1975. I was convinced that there was no way to prevent the passage of H.R. 1975, I also became convinced that the President might veto the bill if the Bergland amendment were attached. This would provide a way to kill H.R. 1975 by Presidential veto. Finally, if the President does not veto the bill, there is a clear need for the Bergland amendment to give those needy farmers a fair chance furnished by the 18-day extension to file for the emergency aid provided under H.R. 1975.

Mr. Chairman, the foregoing comments may seem to be intricate, legalistic, and difficult to follow. Put in a few words, H.R. 1975 is inadequate without the Bergland amendment. If because of that amendment H.R. 1975 should be vetoed and the veto sustained, then we will revert to the 1961 disaster law which is accepted and even preferred by the farmers of our area to any or all subsequent legislation. For the foregoing reasons, I support H.R. 1975 with the Bergland amendment.

Mr. RARICK. Mr. Chairman, I rise in support of H.R. 1975 to provide an emergency loan program for disaster victims and rehabilitation of American agriculture.

In my State of Louisiana, I have often witnessed the effects of emergency loan provisions to those in agriculture who have been literally wiped out by the ravages of hurricanes and flooding. I am unimpressed by the urging of fiscal responsibility as the motivating force behind the administration's decision to terminate the existing program because of budgetary curtailment. Especially is this true when earlier this same week this body passed the continuing appropriations bill—which contained $35 million on a loan or grant basis for the disaster victims of earthquake devastated Managua, Nicaragua, $20 million for a water treatment and prototype desalting plant in Israel, $81 million operating expenses to the Peace Corps, $145 million for assistance to Cuban refugees in the United States, and $50 million for assistance to refugees from the Soviet Union.

With such overwhelmingly generous international programs to aid refugees around the world, American farmers are entitled to similar assistance in their time of need.

I am well aware that one of the criticisms successfully used to underline the program, which had been passed by Congress to assist farmers, was the $5,000 forgiveness feature and the 1-percent interest rate. I think most Americans are tired of giveaways, but why should we stop forgiving Americans while at the same time failing to apply the same hard-nosed policy to foreign governments.

Perhaps the most classic example of forgiveness by the American taxpayers and our national leaders was the recent agreement to settle the Russian war debt of $11.1 billion for $722 million—this amounts to a little over 6 cents on the dollar and the complete forgiveness of any interest charges on the principle over a period of about 28 years.

Interest at 7 percent on $11.1 billion for 1 year would amount to $777 million, which means that we forgave the Russion debt and 28 years of interest for an agreed amount less than 1 year's interest at 7 percent. And if this was not enough, the settlement agreement gave the Soviets 30 years, or until the year 2001, to complete the compromise settlement. The American taxpayer has paid interest on the Russian loan of $11.1 billion and will continue to pay it as a part of the national debt, there is no forgiveness to the American taxpayer.

I feel that our first obligation as Members of this body is to the farmers of our country who produced the food and fiber which was used in Moscow, Peking, Hanoi, and Paris as the leverage to negotiate any peace that has been obtained. The same farmers are overlooked by the administration in its desire to provide food and fiber to the world. Under the recent announced devaluation of the dollar, foreigners will now be able to buy American food, fiber, and goods at a 10-percent discount as a theoretical solution to the balance-of-payments deficits.

I intend to support this measure—legislation which extends the same courtesies to our American farmers that we extend to foreigners, including those in the Communist bloc.

Mr. TEAGUE of California. Mr. Chairman, I have no further requests for time.

Mr. POAGE. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

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

SECTION 1. Section 328(a) of the Consolidated Farm and Rural Development Act is repealed.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

COMMITTEE AMENDMENT

Committee amendment: On page 1, line 3, strike out:

"SECTION 1. Section 328(a) of the Consolidated Farm and Rural Development Act is repealed."

And insert: "That subsections (a), (b), (c), (d), (e), and (f) of Section 328 of the Consolidated Farm and Rural Development Act, as amended by Public Law 92-385, are repealed."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. Subsection (a) of section 321 of the Consolidated Farm and Rural Development Act is amended by striking out all of the language within the parentheses and inserting the following: "(including loans the Secretary is authorized to make or insure under subtitles A and B of this title or any other Act of Congress)".

SEC. 3. Subsection (b) of section 321 of the Consolidated Farm and Rural Development Act is amended by deleting said subsection in its entirety and substituting in lieu thereof:

"(b) The Secretary shall make loans in any such area designated by the Secretary in accordance with subsection (a) hereof and in any area designated as a major disaster by the President pursuant to the provisions of the Disaster Relief Act of 1970, as amended, (1) to established farmers, ranchers, or oyster planters who are citizens of the United States and (2) to private domestic corporations or partnerships engaged primarily in farming, ranching, or oyster planting: *Provided,* That they have experience and resources necessary to assure a reasonable prospect for successful operation with the assistance of such loan, and are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time."

SEC. 4. Section 324 of the Consolidated Farm and Rural Development Act is amended by striking out "3 per centum" and inserting in lieu thereof "6 per centum".

SEC 5. Section 328 of the Consolidated Farm and Rural Development Act, amended by striking out "$100,000,000" and inserting "$500,000,000".

SEC. 6. Section 321(a) of the Consolidated Farm and Rural Development Act is amended by striking the word "may" and inserting in lieu thereof the word "shall".

SEC. 7. Section 232 of Public Law 91-606 is repealed.

Mr. POAGE (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 3, line 2, after the word "Act," insert "as amended by Public Law 92-173,"

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 3, line 3, after the word "is" insert the word "further".

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. MATHIS OF GEORGIA

Mr. MATHIS of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MATHIS of Georgia: Page 2, line 25, strike out the words "6 percentum" and insert in lieu thereof the words "5 per centum"

Mr. MATHIS of Georgia. Mr. Chairman, the amendment I have offered to the bill will do one thing. It will make a little more of a reality out of the title of this legislation.

My committee reported the bill to this House as what we call a disaster relief loan bill. In fact, as it is drawn, it provides very little relief to the farmers and ranchers we are proposing to aid.

The interest rate, as the gentleman from Arkansas pointed out, to be charged to those who avail themselves of this program, shall be a maximum of 6 percent as provided under the terms of this bill, which is 5 percent more, as pointed out, than under the old program.

My amendment would fix the interest rate at a maximum of 5 percent, and therefore make this really more an emergency disaster loan available to farmers.

The normal operating loans available to farmers now under the Farmers Home Administration are available at a lesser rate at the present time than under the terms of this bill. If it is the intention of this House to provide relief to these farmers and ranchers who in many instances have been wiped out by natural disasters, then let us take positive action at this time to provide meaningful relief.

This House in its wisdom yesterday passed a continuing resolution which provides for millions of dollars for aid to foreign nations, apparently including some disaster relief for citizens of those countries. Mr. Chairman, I do not see how we can propose to do less for American farmers.

I believe this amendment will go a long way toward doing that.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. MATHIS of Georgia. I am happy to yield to the chairman.

Mr. POAGE. In an effort to get this compromised, and speaking only for myself as the chairman of the committee, I accept the amendment.

Mr. MATHIS of Georgia. Mr. Chairman, I appreciate the chairman of the committee accepting the amendment, and I am delighted.

Mr. TEAGUE of California. Mr. Chairman, let me put my statement this way: I shall not oppose it.

Mr. MATHIS of Georgia. Mr. Chairman, I appreciate the remarks of the distinguished ranking minority member of the committee.

Mr. Chairman, I yield back the balance of my time and urge the adoption of my amendment.

Mr. LEGGETT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to use my 5 minutes to ask the chairman of the full committee some questions about H.R. 1975.

Now, as I understand it, we did adopt an agriculture disaster relief bill in the last Congress which provided for 1 percent loans and $5,000 forgiveness, which was at the recommendation of the President and was written into law, and we had that law complementing the disaster legislation for business which came out of the Banking and Currency Committee, as I recall.

Mr. Chairman, under the provisions of that legislation, as I understand it, some of the loans have been committed and are still pending, and the legislation will continue in effect as long as the legislation lasts, I presume, until the end of the current fiscal year.

And I presume the President could implement that legislation by executive order any time he chooses to do so.

Now, when we enact H.R. 1975, particularly the section 7, do we not repeal the authority to consummate the existing commitments that have been made by the Farmers Home Administration? And may I ask, do we not also repeal the authority of the President to use some discretion to open up this loan program to help out some of the farmers in some of their disaster relief in the event that the President's action taken just a few weeks ago is deemed premature?

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. LEGGETT. Yes, I will yield to the gentleman.

Mr. POAGE. Mr. Chairman, we do repeal the existing law, which does repeal the President's authority to declare more of these counties to be emergency areas. I presume the gentleman is referring to the fact that the President just a few days ago declared four counties in the State of California Presidential disaster areas.

Mr. Chairman, this bill would repeal his authority to declare any more disaster areas with the existing relief provisions. He had a legal right to declare those four counties disaster areas. Even though he had already announced he was cutting off the whole program, he changed his mind again and declared those four counties disaster areas, subject to all of the provisions of the existing law, that is subject to the 1 percent interest and subject to the $5,000 forgiveness.

If this bill is enacted into law, he will have no authority to declare any more counties disaster areas with the privileges granted to these counties. He will still have the right to declare a disaster area, but they will only get loans on the terms granted here, but this bill will not invalidate the loans made in

those counties prior to the adoption of this bill.

All the loans made in those counties prior to the adoption of this bill will still be valid loans, and will be payable and forgivable according to the terms of the existing legislation. This includes the 1 percent interest and the right to $5,000 forgiveness.

Mr. LEGGETT. Mr. Chairman, if I could expand on my question, one of our big disasters in California was the Isleton flood on Sherman and Andreas Island.

We just got a bathtub full of water, and we have only been able to get it out in the last 4 months. The farmers have only been able to determine their damages in the last 4 months, and a number of them still have applications pending on which they may or may not have commitments.

But what I am concerned about is—if we enact legislation here which actually repeals Public Law 91–606 does this not repeal the residual discretion of the Farmers Home Administration to consummate the pending applications for the pending disaster loans.

Mr. BERGLAND. Will the gentleman yield for just one moment?

Mr. LEGGETT. I yield to the gentleman.

Mr. BERGLAND. At the proper time, I will inform the gentleman, I have an amendment prepared that would remedy what I regard as an inequity of that nature in the pending amendment.

Mr. LEGGETT. I will be very pleased to support that amendment if there is any question about the coverage.

I am concerned also about this: If we enact this legislation, then as regards the new four counties we have in California the Farmers Home Administration will only be allowed to extend credit for 25 or 30 years or whatever the term is at 5 percent, but theoretically the Small Business Administration will be able to extend credit at 1 percent with the forgiveness features under the Banking and Currency legislation that is current law. Does that not exacerbate the inequities that are currently present between rural America and the small business communities in those same areas?

Mr. POAGE. If the gentleman will yield?

Mr. LEGGETT. I yield to the chairman.

Mr. POAGE. There are no loans being made except in those four counties in California. Of course, I recognize that the gentleman has a very natural and very proper interest in those counties, but the rest of the Nation is getting no loans at all and apparently will not get any loans of any kind at any rate of interest of this kind, so it is our hope to pass this legislation as quickly as possible.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. LEGGETT was allowed to proceed for 2 additional minutes.)

Mr. LEGGETT. I have one other question. I would like to pose this question publicly, because I have talked to the chairman of the committee about this situation.

Under the existing law when we were given loans under the Small Business Administration provisions we did have a clause that allowed a small business to obtain a consolidated loan to refinance his destroyed stock in trade and actually to get a new loan so that he could get new stock in trade at the 1 percent rate with the $5,000 forgiveness feature. We never had anything like that in Agriculture.

I have a number of farms in the Central Valley of California which have production loans where those production loans are in default because the crop has been destroyed. We can get a loan on a new crop, but there is no way to pay off the old crop loan, which is the first lien on that property.

As of right now—and I posed this to you before—we do not have parity between business and agriculture, even in agricultural communities. I hope we can keep this hiatus in mind as we move ahead with legislation of this type and hopefully between the House and the Senate that we can provide further equity between small agriculture and small business in the exact same communities. That does not require an answer, I will say to the gentleman as it appears to restate the current administration of the law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. MATHIS).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BERGLAND

Mr. BERGLAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BERGLAND: Page 3, following line 8, add a new section as follows:

"SEC. 8. Notwithstanding the repeal herein of Section 5 of Public Law 92–385, and notwithstanding any other provision of law, the Secretary of Agriculture shall make loans in accordance with the provisions of Section 5 of Public Law 92–385 to eligible applicants in natural disaster areas determined or designated by the Secretary of Agriculture where such determination or designation had been made after January 1, 1972, and prior to December 27, 1972. The authority to accept applications for such loans shall expire 18 days after the effective date of this Act."

Mr. BERGLAND. Mr. Chairman and members of the committee, on the 17th day of July last year President Nixon requested Congress to act in response to the needs that arose as a consequence of Hurricane Agnes and recommended that the Disaster Relief Act be amended so as to provide for 1-percent loans to those victims with up to $5,000 to be forgiven.

On the 14th of August this House by a vote of 359 to 1 accepted the conference committee's report to implement the President's request, and expand coverage to all persons who suffered similar damages from disaster during the period January 1, 1972, to June 30, 1973. The President signed this into law.

On November 15 of last year 358 counties in 21 States had been designated as eligible for assistance by the authority given to the President of the United States; 555 counties in 28 States had been designated for emergency aid by the authority conferred upon the Secretary of Agriculture by this act.

Now, the farmers in my State and in other States of this country who had their backs to the wall, who had lost their crop because of a severe disaster, due to the weather, were told to wait to file their applications, and in my State they were told to wait because they still had some little crops in the field and were advised that they should not file their applications until what little crops they had had been salvaged.

Other farmers in 28 counties in my State had been told by the local authorities of the Government, the local directing supervisor of FHA, to not file their applications in November or December because of the backlog of work, and appointments were made for these farmers to come back to the local offices of the Department of Agriculture some time during the winter time, and promises had been made that if they would come back in February that the backlog would be cleared up, and that they could then process their applications in accordance with the law. The farmers did wait, thousands of them acting upon the good faith of the Department, postponed the filing of their applications for the assistance to which they were entitled on the advice of an agent of the Government of the United States.

Then on the 27th day of December, without warning, the Secretary of Agriculture, Mr. Earl Butz, cut off this assistance relief, even though they were qualified and in that same pronouncement announced that those counties which had been designated by the President of the United States would have until the 15th day of January of 1973 in which to file their applications for assistance.

Mr. Chairman and members of this Committee I submit a public trust has been broken. Since the founding of this Republic 200 years ago our social landscape has been strewn with scores of broken treaties and broken promises. Is there any reason that the American people doubt the credibility of politicians and leaders in Government?

My amendment, Mr. Chairman and members of the Committee, would repair one broken promise. My amendment calls for a grandfather clause to continue the program for 18 days in 555 counties that had been designated by the Secretary of Agriculture so that all persons in these counties would be treated alike.

The bill as presented today states that the farmers who were able to get in under the wire before the abrupt cutoff would have their loan approved for 1 percent with up to $5,000 forgiven, but those same farmers who suffered identically or who in some cases suffered even worse, would not be granted these same credit terms.

Mr. Chairman, I along with my friend and colleague, the gentleman from Minnesota (Mr. ZWACH) offered an amendment that provided for a grandfather clause for these 555 counties and for an additional 18-day period for these farm-

ers, and it lost in committee on a tie vote of 16 to 16.

Mr. Chairman and Members of the Committee, I submit there should be a lesson learned from this sorry episode. I think that we in the Congress and the administration should be more careful to study the consequences of any proposition until we are sure that we can finish what we start. Anything less is a really cruel deception. Therefore, Mr. Chairman, I urge support for my amendment.

Mr. TEAGUE of California. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it seems to me that the gentleman from Minnesota (Mr. BERGLAND) is inviting upon the farmers of America and upon his own constituents a terrible risk.

Now, I will be the first to concede that this whole matter could have been handled in a better fashion by the Department of Agriculture and by the executive branch of this Government, but if this bill does pass, your constituents and mine, and those of all of us, will be helped under the new program for loans at 5 percent or less.

If the gentleman's amendment is adopted at a cost of about $350 million, and the program goes back to the $5,000 forgiveness figure and 1 percent interest rate, we are inviting and we are almost sure to have a veto. We will have no program to take care of these people who suffer in the case of future emergencies, future disasters.

So that is my message, my colleagues. As appealing as this amendment might be, it would cost $350 million and is almost sure, in my judgment, to result in a veto, with the distinct possibility that no future funds will be available for the Members' constituents or any of mine in the case of such emergencies as may occur.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman from California yield?

Mr. TEAGUE of California. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. If this bill were not to pass in any form, what would be the net result?

Mr. TEAGUE of California. If this bill were not to pass in any form, I assume the executive department would continue its present policy, and loans and grants would be very much limited.

Mr. GERALD R. FORD. In other words, if the bill did not pass at all in any form, the executive branch would not continue the forgiveness and would not make loans under the 1-percent rate; is that it?

Mr. TEAGUE of California. Yes, that is my opinion.

Mr. GERALD R. FORD. That is what they are doing at the present time?

Mr. TEAGUE of California. Yes, because had they continued, that would have cost an estimated $1 billion, and with the attempt to bring about some sense of financial stability in this country, the action was taken. As I said before, I think it should have been done a lot differently, but that is water over the dam and left behind us.

We are faced right now with passing this bill with the one amendment, which we have in effect accepted, lowering the interest rate to 5 percent, and go below that, if possible. That is one alternative. If we do not pass this bill, I think we will have no funds available for emergency loans.

Mr. GERALD R. FORD. Will the gentleman yield again?

Mr. TEAGUE of California. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. It seems to me we have three alternatives. If no legislation is passed, there will be no money available, either in the forgiveness area or at 1 percent.

The second alternative is to pass the bill as recommended by the committee, as amended by the Mathis amendment, and there will be money available with an interest rate of up to 5 percent.

Mr. TEAGUE of California. Maximum, and it could be less.

Mr. GERALD R. FORD. The third alternative is to pass the bill with the Bergland amendment, which in effect invites a veto because of the anticipated extra cost during this period of $350 million.

Mr. TEAGUE of California. That is correct.

Mr. GERALD R. FORD. I just hope that the Bergland amendment is defeated. I think we have to take a broader view and to the best of our ability help agriculture generally, admitting that perhaps the Department of Agriculture might not have handled this administratively as well as the gentleman or I or many others might like to have had it done.

I hope the Bergland amendment is defeated.

Mr. TEAGUE of California. I agree with the gentleman, and I thank the gentleman.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentleman from Texas.

Mr. KAZEN. What is the situation with regard to the four counties that the President has just declared disaster areas within the last week?

Mr. TEAGUE of California. Those in California the gentleman is referring to?

Mr. KAZEN. Yes, sir.

Mr. TEAGUE of California. That is a very fair question, and let me answer it. I did not know about it until I read in the newspapers that it had happened. I had nothing to do with bringing it about, and one of the counties is in my district. I called just before noon, and they have not received one application there. This leads me to the belief that probably the disaster was declared so that the Corps of Engineers could come in and help repair a harbor that was very badly damaged and some bridges that were washed out.

Mr. POAGE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I cannot hold the feeling of distrust which some of our colleagues have expressed as to the fairness of our President. I cannot believe the President of the United States is going to be so inequitable in his treatment of the people in the areas which were declared disaster areas by his Secretary of Agriculture and those who live in areas which the President himself declared to be disaster areas. The President of the United States declared 358, I believe, counties as disaster areas. The Secretary of Agriculture declared 555 counties as disaster areas. When the President issued this order stopping forgiveness, on December 27, 1972, he gave everybody in the Presidentially declared areas 18 days in which to come in and file applications after they had notice.

All the Bergland amendment asks is to extend exactly the same treatment to those who sustained similar losses in the other 555 counties. It asks that we do in those counties declared by the Secretary exactly what the President already has done in the areas he personally declared disaster areas.

I cannot believe, as the gentleman from Michigan does, that my President is going to be so unfair as to deny to the sufferers of 555 counties that which he has already accorded to those similarly situated in 358 counties. On the contrary, I believe President Nixon to be a fair and honorable man, and I reject the threats of the gentleman on my left that their President and mine would be so unfair. All this amendment asks is equal treatment for all. On December 27, the President gave the people of 354 counties 18 days in which to fill applications. On February 13 of this year the President declared four counties in California as disaster areas and gave them unlimited time. In this case the announcement specifically reads that up to $5,000 on farm housing loans may be canceled when losses are not compensated by insurance or otherwise. That is in the President's order of February 13. I cannot believe that the President is going to say it is all right to give $5,000 to the people in one district in California, or elsewhere, and then say he is not going to give those fellows in somebody else's district even so much as a chance to come in and sign up.

I just do not believe that of the President of the United States. All the Members who think our President is that kind of two-faced operator—please stand up. I want their names. I do not believe it of President Nixon. I believe the President is a better man than that. I believe the President is a fairer man than that, even though his spokesmen on this floor represent him as unwilling to do equity.

All we are asking here is that there be a little fairness. The gentleman from California has said there is not a soul in his district who has come in and asked for forgiveness—they do not have to hurry. The President put no limit on the time in which they can apply. I cannot believe he is going to object to giving others just 18 days—exactly, the time the President said was fair for the people in 354 counties.

Why does the gentleman from California feel that $300 million will be lost in those 555 counties which were declared disaster areas by the President's Secretary of Agriculture. Does he consider the Secretary untrustworthy? I do not. There were some 354 counties which the Pres-

ident had declared disaster areas before the 26th day of December. That is about five-eighths as many as the Secretary declared. It did not cost any five-eighths of $300 million to take care of those counties, although the farmers in them had 18 days notice and that amount of time in which to apply. They had exactly what Mr. BERGLAND asks for the farmers of the other 555 counties, and it did not cost any such amount for those 354 counties. Now why and from what source do we get any information that it is going to cost $300 million to give these people the same kind of treatment the President has given other people? All we are asking is that we treat everybody alike.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from California.

Mr. TEAGUE of California. Mr. Chairman, I got this information from the gentleman from Minnesota (Mr. BERGLAND) himself. He told me earlier this afternoon it was $350 million, so I did not dream it up.

Mr. POAGE. I do not understand that. The gentleman from Minnesota (Mr. BERGLAND) gave us that information, but I understood that he was passing on information or guesses from the Department of Agriculture.

Mr. BERGLAND. Mr. Chairman, if the gentleman will yield, that was received from the Department of Agriculture. It was their own estimate.

Mr. POAGE. That is right, and I want to know on what basis the Department of Agriculture makes any such estimate as that, since the figures show it did not cost any such amount as that when 18 days was given to the people in the Presidentially declared areas.

I challenged the figures of the Department of Agriculture. I ask unanimous consent that anyone who can read and write and figure to the seventh multiplication table, tell me how they can substantiate any such estimate of $300 million. And, if they can substantiate it, how do they then justify the President's action of December 27 in granting 18 days to the people of 354 counties and his action of February 13 in granting unlimited time to the people of four California counties?

Maybe what is good and fair in California is good and fair in the rest of the country. I would, therefore, urge that you vote for the Bergland amendment.

Mr. ZWACH. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from Minnesota is recognized for 5 minutes.

Mr. ZWACH. Mr. Chairman and members of the Commitee, it is imperative that I speak out in support of this amendment and to discuss this bill, because it creates a very grave injustice to some producers in America; a very, very grave injustice.

I have here the figures for Hurricane Agnes and Rapid City. They each had their disaster in 1 day; immediately applied for SBA loans and FHA loans and collected them to the tune of $3,176,652,000 in loans and forgiveness. In all Presidentially designated areas folks had their forgiveness and their 1-percent interest, but the farmers in my district in areas designated by the Secretary were cut off without notice on December 27.

Now, in our area of the United States, in South Dakota, Minnesota, part of North Dakota, we had the disaster of the century. Never since that ground was plowed have we had such a disaster. So many folks got a crop planted 2 months late, and they did not know what they were going to harvest until around Christmas time. The FHA said, "Come in January, come in February." They were dated then to make these applications. On December 27 they blew the whistle, so to speak; blew the whistle on this program, and it left hundreds of our very worthy producers with more losses, more severe losses suffered, and waiting to harvest crops when they were cut off entirely. That was unfair.

Second, in my district there are eight counties that have been designated by the Secretary of Agriculture as disaster areas and there are a number of counties designated by the President as disaster areas. The Presidential disaster areas, ladies and gentlemen, had until January 15 when the December 27 date was given. The secretarial disaster areas were cut off right there.

The Government must give what is due to its people. The Government must keep its faith with its people.

Third, this bill, and I can see what the author tries to do, makes a rank discrimination against rural America because it continues the loans at 1 percent, $5,000 forgiveness, for SBA and every other agency except FHA which deals with producers and rural communities in this country. It keeps it for every other one.

This law cuts them out. It was at 6 percent, and now puts that to 5 percent. It is really some emergency program to offer them that kind of deal and to discriminate against rural America in favor of SBA, HUD, and all the other areas.

It is therefore imperative that we pass this amendment in justice and equity. I hope—I sincerely hope that we strengthen this legislation, and in so doing eliminate the looseness of it that gives money to the undeserving, but we must not deny the hundreds of deserving people who have been automatically and arbitrarily cut off by their Government

There is no Government that can conduct its business in that type of manner.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. ZWACH. I am glad to yield to the gentleman from California.

Mr. TEAGUE of California. I thank my good friend.

I want to make it clear that if this amendment is adopted, I hereby rescind, revoke, and take back my previous commitment or statement that I would vote for the bill. I certainly could not if this amendment were adopted.

Mr. ZWACH. Certainly the gentleman is entitled to his position. But in equity we must adopt this amendment.

Mr. YOUNG of South Carolina. Mr. Chairman, I move to strike the last word in the amendment before this body.

Mr. Chairman, if this amendment is included today and the President vetoes this measure, many of the farmers in my area will not be able to get a loan to get fertilizer and go to the fields for the spring planting.

This has been before us in the Committee on Agriculture. It was decided there and voted out and sent to this body.

Only this morning a man, who is a broiler grower in our area, who had his buildings collapse after our recent snowstorm, which cost him some $80,000, said:

Do not give me anything. Do not give me a $5,000 forgiveness. What I want is a chance to recover, to build my houses back, but, at the present time, with the Farmers Home Administration not making any loans to anybody, I am losing money every day. My chickens are trapped beneath these buildings, and they are dead. I have a health hazard in my area. I need something done and I need it done immediately.

Gentlemen, we are fooling around with the farmers in our area who need some help to get started back in the business of farming for the coming year.

I speak as a farmer. I know what it is not to be able to pay a fertilizer bill. I have been to the Farmers Home Administration, to the Production Credit Association, to the land banks. I know what it is to meet a crisis on the farm.

When we are talking today about the forgiveness feature of this bill and when we are talking about increasing it from 3 percent to 5 percent, let me say that the man who borrows $10,000 is talking about an additional $200 interest per year.

When drowning, a man on the farm does not care whether he is saved by a pole or by a boat. What he wants is help now.

This is what we are talking about in this bill today. I believe we are toying around with the future of some farmers who simply will not survive unless we pass the legislation without this amendment as quickly as we possibly can.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. BERGLAND).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. TEAGUE of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—yeas 196, nays 160, not voting 75, as follows:

[Roll No. 21]

YEAS—196

Abdnor	Breaux	Conte
Abzug	Breckinridge	Conyers
Alexander	Brinkley	Corman
Anderson, Calif.	Brooks	Cotter
	Brown, Calif.	Culver
Andrews, N. Dak.	Burke, Calif.	Daniel, Dan
	Burke, Fla.	Daniels, Dominick V.
Annunzio	Burke, Mass.	
Ashley	Burleson, Tex.	Danielson
Aspin	Burlison, Mo.	Davis, Ga.
Bennett	Burton	Davis, S.C.
Bergland	Carey, N.Y.	de la Garza
Bevill	Carney, Ohio	Dellums
Bingham	Casey, Tex.	Denholm
Blatnik	Chappell	Diggs
Boland	Clark	Downing
Bolling	Clausen, Don H.	Edwards, Calif.
Bowen		Eilberg
Brademas	Clay	Esch

Evans, Colo.
Evins, Tenn.
Fascell
Fisher
Flood
Flowers
Flynt
Foley
Ford, William D.
Fraser
Fulton
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gunter
Guyer
Haley
Hamilton
Hanley
Hansen, Wash.
Harrington
Hawkins
Hays
Hébert
Hechler, W. Va.
Helstoski
Henderson
Hicks
Holifield
Holtzman
Horton
Howard
Hutchinson
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Landrum
Latta
Lehman
Long, Md.
McEwen
McFall
McKay
McSpadden
Madden
Madigan
Mahon
Martin, N.C.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Murphy, Ill.
Murphy, N.Y.
Natcher
Nichols
Obey
O'Neill
Owens
Passman
Patman
Patten
Perkins
Pickle
Poage
Podell
Preyer
Price, Ill.
Randall
Rangel
Rarick
Reid
Reuss
Riegle
Roberts
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Roush
Roy
Runnels
Ryan
Sandman
Sarbanes
Schroeder
Seiberling
Shipley
Sisk
Slack
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steele
Stephens
Stubblefield
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Thornton
Tiernan
Udall
Van Deerlin
Vigorito
Waldie
Whalen
White
Whitten
Wilson, Charles H., Calif.
Wright
Young, Ga.
Young, Tex.
Zablocki
Zwach

NAYS—160

Archer
Arends
Armstrong
Ashbrook
Bafalis
Beard
Bell
Biester
Blackburn
Broomfield
Brotzman
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Butler
Byron
Camp
Carter
Cederberg
Chamberlain
Clancy
Clawson, Del
Cleveland
Cochran
Cohen
Collins
Conable
Conlan
Coughlin
Crane
Cronin
Daniel, Robert W., Jr.
Davis, Wis.
Dellenback
Dennis
Derwinski
Devine
Dickinson
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Fish
Ford, Gerald R.
Forsythe
Frelinghuysen
Frey
Froehlich
Goodling
Grover
Gude
Gross
Hammer-schmidt
Hanna
Hanrahan
Harsha
Heinz
Hillis
Hinshaw
Hogan
Holt
Huber
Hudnut
Hungate
Hunt
Ichord
Jarman
Johnson, Pa.
Jones, Okla.
Keating
Kemp
Ketchum
Kuykendall
Landgrebe
Lent
Litton
Lott
Lujan
McClory
McCollister
McDade
McKinney
Mallary
Mann
Martin, Nebr.
Mathias, Calif.
Mayne
Michel
Miller
Mills, Md.
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Mosher
Nedzi
Nelsen
O'Brien
O'Hara
Parris
Pettis
Peyser
Pike
Powell, Ohio
Quie
Quillen
Regula
Rhodes
Rinaldo
Robinson, Va.
Rogers
Roncallo, N.Y.
Rousselot
Ruppe
Ruth
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Snyder
Spence
Stanton, J. William
Steiger, Ariz.
Steiger, Wis.
Stratton
Symms
Talcott
Taylor, Mo.
Teague, Calif.
Thomson, Wis.
Thone
Treen
Vanik
Veysey
Walsh
Wampler
Ware
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wolff
Wylie
Wyman
Yates
Young, Fla.
Young, Ill.
Young, S.C.
Zion

NOT VOTING—75

Adams
Addabbo
Anderson, Ill.
Andrews, N.C.
Badillo
Baker
Barrett
Biaggi
Brasco
Bray
Brown, Mich.
Broyhill, N.C.
Chisholm
Collier
Delaney
Dent
Dingell
Donohue
Dorn
Eckhardt
Erlenborn
Eshleman
Findley
Fountain
Frenzel
Fuqua
Gettys
Goldwater
Gubser
Hansen, Idaho
Harvey
Hastings
Heckler, Mass.
Hosmer
Johnson, Colo.
King
Koch
Kyros
Leggett
Long, La.
McCloskey
McCormack
Macdonald
Mailliard
Maraziti
Milford
Mills, Ark.
Moss
Myers
Nix
Pepper
Price, Tex.
Pritchard
Railsback
Rees
Robison, N.Y.
Rooney, N.Y.
Rostenkowski
Roybal
St Germain
Skubitz
Smith, N.Y.
Steed
Steelman
Stokes
Teague, Tex.
Thompson, N.J.
Towell, Nev.
Ullman
Vander Jagt
Waggonner
Wilson, Charles, Tex.
Wyatt
Wydler
Yatron

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. BURLISON of Missouri. Mr. Chairman, I move to strike the last word.

Mr. Chairman, H.R. 1975, providing for emergency farm loans, is absolutely essential for farmers in my district who have been inundated with flood waters of the Castor, Black, Saint Francis, and Mississippi Rivers.

I rise in support of the legislation and wish to take this opportunity to commend my neighbor from the First Congressional District of Arkansas (Mr. ALEXANDER) for the great leadership he has shown in guiding this legislatcn through the Committee on Agriculture, and his great contribution in final passage here on the floor, which I am confident is imminent.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROUSH, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee having had under consideration the bill (H.R. 1975) to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes, pursuant to House Resolution 226, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 269, nays 95, not voting 67, as follows:

[Roll No. 22]

YEAS—269

Abdnor
Abzug
Adams
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Bafalis
Beard
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Blatnik
Boland
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Brown, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Conlan
Conte
Conyers
Corman
Cotter
Culver
Daniel, Dan
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Dellums
Denholm
Diggs
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Fisher
Flood
Flowers
Flynt
Foley
Fraser
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gude
Gunter
Guyer
Haley
Hamilton
Hanley
Hanna
Hansen, Wash.
Harrington
Harsha
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holtzman
Horton
Howard
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kyros
Landrum
Latta
Lehman
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCormack
McEwen
McFall
McKay
McKinney
McSpadden
Madden
Mahon
Mallary
Mann
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Hara
O'Neill
Owens
Passman
Patman
Patten
Perkins
Peyser
Pickle
Poage
Podell
Preyer
Price, Ill.
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Reid
Reuss
Rhodes
Riegle
Roberts
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Roush
Roy
Runnels
Ruppe
Ryan
Sandman
Sarbanes
Satterfield
Scherle
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Tiernan
Udall
Van Deerlin
Vanik
Veysey
Vigorito
Waldie
Walsh
Wampler
Whalen
White
Whitten
Widnall
Wilson, Charles H., Calif.
Wright
Wyman
Yates
Young, Ga.
Young, Tex.
Zablocki
Zwach

NAYS—95

Archer	Frelinghuysen	Pettis
Arends	Frey	Powell, Ohio
Armstrong	Goodling	Pritchard
Ashbrook	Gross	Regula
Blackburn	Grover	Rinaldo
Broomfield	Hammer-schmidt	Robinson, Va.
Brotzman	Hanrahan	Roncallo, N.Y.
Brown, Ohio	Heinz	Rousselot
Broyhill, Va.	Hinshaw	Ruth
Buchanan	Holt	Sarasin
Burgener	Huber	Saylor
Camp	Hudnut	Schneebeli
Cederberg	Jarman	Shriver
Chamberlain	Johnson, Pa.	Shuster
Clancy	Keating	Snyder
Clawson, Del	Kemp	Spence
Cohen	Ketchum	Symms
Collins	Kuykendall	Taylor, Mo.
Conable	Landgrebe	Teague, Calif.
Coughlin	Lent	Treen
Crane	McCollister	Ware
Cronin	McDade	Whitehurst
Daniel, Robert W., Jr.	Martin, Nebr.	Wiggins
Davis, Wis.	Mayne	Williams
Dellenback	Michel	Wilson, Bob
Dennis	Mills, Md.	Winn
Derwinski	Minshall, Ohio	Wolff
Devine	Mizell	Wylie
Dickinson	Moorhead, Calif.	Young, Fla.
Edwards, Ala.	O'Brien	Young, Ill.
Ford, Gerald R.	Parris	Young, S.C.
Forsythe		Zion

NOT VOTING—67

Addabbo	Frenzel	Pepper
Anderson, Ill.	Gettys	Pike
Badillo	Goldwater	Price, Tex.
Baker	Gubser	Rees
Barrett	Hansen, Idaho	Robison, N.Y.
Biaggi	Harvey	Rooney, N.Y.
Brasco	Hastings	Rostenkowski
Bray	Hosmer	Roybal
Brown, Mich.	Johnson, Colo.	St Germain
Broyhill, N.C.	King	Smith, N.Y.
Burke, Calif.	Kluczynski	Steed
Collier	Koch	Steelman
Delaney	Leggett	Stokes
Dent	McCloskey	Thompson, N.J.
Dingell	Macdonald	Towell, Nev.
Donohue	Madigan	Ullman
Dorn	Mailliard	Vander Jagt
Erlenborn	Maraziti	Waggonner
Eshleman	Milford	Wilson, Charles, Tex.
Findley	Mills, Ark.	Wyatt
Ford, William D.	Moss	Wydler
Fountain	Myers	Yatron
	Nix	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Frenzel for, with Mr. Collier against.

Until further notice:

Mr. Rooney of New York with Mr. Anderson of Illinois.
Mr. Rostenkowski with Mr. Erlenborn.
Mr. Addabbo with Mr. Gubser.
Mr. Brasco with Mr. Maraziti.
Mr. Donohue with Mr. McCloskey.
Mr. Fountain with Mr. Towell of Nevada.
Mr. Gettys with Mr. Baker.
Mr. Kluczynski with Mr. Mailliard.
Mr. Macdonald with Mr. King.
Mr. Moss with Mrs. Burke of California.
Mr. Koch with Mr. Johnson of Colorado.
Mr. Biaggi with Mr. Robison of New York.
Mr. Delaney with Mr. Myers.
Mr. Dingell with Mr. Brown of Michigan.
Mr. St Germain with Mr. Goldwater.
Mr. Thompson of New Jersey with Mr. Vander Jagt.
Mr. Waggonner with Mr. Bray.
Mr. Yatron with Mr. Price of Texas.
Mr. Pike with Mr. Hastings.
Mr. Leggett with Mr. Wydler.
Mr. Mills of Arkansas with Mr. Broyhill of North Carolina.
Mr. Nix with Mr. William D. Ford.
Mr. Pepper with Mr. Hansen of Idaho.
Mr. Dorn with Mr. Milford.
Mr. Dent with Mr. Steelman.
Mr. Barrett with Mr. Eshleman.
Mr. Badillo with Mr. Smith of New York.
Mr. Rees with Mr. Hosmer.
Mr. Roybal with Mr. Stokes.
Mr. Steed with Mr. Harvey.
Mr. Ullman with Mr. Findley.
Mr. Wyatt with Mr. Charles Wilson of Texas.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. POAGE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Geisler, one of his secretaries, who also informed the House that on February 16, 1973, the President approved and signed a joint resolution of the House of the following title:

H.J. Res. 299. Joint resolution relating to the date for the submission of the report of the Joint Economic Committee on the President's Economic Report.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO FILE REPORT ON H.R. 3298 UNTIL MIDNIGHT TOMORROW

Mr. POAGE. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tomorrow night to file a report on the bill H.R. 3298.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

STATE OF THE ECONOMY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93–48)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee of the Whole House on the State of the Union and ordered to be printed:

To the Congress of the United States:

Today, in this third section of my 1973 State of the Union Message, I wish to report on the state of our economy and to urge the Congress to join with me in building the foundations for a new era of prosperity in the United States.

The state of our Union depends fundamentally on the state of our economy. I am pleased to report that our economic prospects are very bright. For the first time in nearly 20 years, we can look forward to a period of genuine prosperity in a time of peace. We can, in fact, achieve the most bountiful prosperity that this Nation has ever known.

That goal can only be attained, however, if we discipline ourselves and unite on certain basic policies:

—We must be restrained in Federal spending.
—We must show reasonableness in labor-management relations.
—We must comply fully with the new Phase III requirements of our economic stabilization program.
—We must continue our battle to hold down the price of food.
—And we must vigorously meet the challenge of foreign trading competition.

It is clear to me that the American people stand firmly together in support of these policies. Their President stands with them. And as Members of the 93d Congress consider the alternatives before us this year, I am confident that they, too, will join in this great endeavor.

IMPACT OF THE ECONOMY ON PEOPLE'S LIVES

This message will present my basic economic recommendations and priorities and will indicate some areas in which further detailed plans will be submitted later.

But I also want to discuss our economic situation in less formal terms: how do statistical measurements, comparisons and projections affect the daily lives of individual Americans and their families?

We build our economy, after all, not to create cold, impersonal statistics for the record books but to better the lives of our people.

Basically, the economy affects people in three ways.

First, it affects their jobs—how plentiful they are, how secure they are, how good they are.

Second, it affects what people are paid on their jobs—and how much they can buy with that income.

Finally, it affects how much people have to pay back to the Government in taxes.

JOB PICTURE ENCOURAGING

To begin with, the job picture today is very encouraging.

The number of people at work in this country rose by 2.3 million during 1972—the largest increase in 25 years. Unemployment fell from the 6 percent level in 1971 to 5 percent last month.

The reason jobs have grown so rapidly is that the economy grew in real terms by 6½ percent last year, one of the best performances in the past quarter century. Our economic advisers expect a growth rate of nearly 7 percent in 1973. That would bring unemployment down to around the 4½ percent level by the end of the year.

Five percent unemployment is too high. Nevertheless, it is instructive to examine that 5 percent figure more closely.

For example:

—Only 40 percent of those now counted as unemployed are in that status because they lost their last job. The rate of layoffs at the end of last year was lower than it has been since the Korean War.
—The other 60 percent either left their last job voluntarily, are seeking jobs for the first time or are re-entering the labor force after being out of it for a period of time.

—About 45 percent of the unemployed have been unemployed for less than five weeks.

—As compared with earlier periods when the overall unemployment rate was about what it is now, the unemployment rate is significantly lower for adult males, household heads and married men. Among married men it is only 2.4 percent. Unemployment among these groups should decline even further during 1973.

This employment gain is even more remarkable since so many more people have been seeking jobs than usual. For example, nearly three million Americans have been released from defense-related jobs since 1969—including over one million veterans.

The unemployment rate for veterans of the Vietnam War now stands at 5.9 percent, above the general rate of unemployment but slightly below the rate for other males in the 20-to-29-year-old age bracket. While much better than the 8.5 percent of a year ago, this 5.9 percent rate is still too high. The employment problems of veterans, who have given so much for their country, will remain high on my list of concerns for the coming year.

Women and young people have also been seeking work in record numbers. Yet, as in the case of veterans, jobs for these groups have been increasing even faster. Unemployment among women and young people has thus declined—but it is also much too high and constitutes a great waste for our Nation.

As we move into a new era of peacetime prosperity, our economic system is going to have room—indeed, is going to have need—for nearly every available hand.

The role of women in our economy thus is bound to grow. And it should—not only because the expansion of opportunities for women is right, but also because America will not be able to achieve its full economic potential unless every woman who wants to work can find a job that provides fair compensation and equal opportunity for advancement.

This Administration is committed to the promotion of this goal. We support the Equal Rights Amendment. We have opened the doors of employment to qualified women in the Federal service. We have called for similar efforts in businesses and institutions which receive Federal contracts or assistance.

Just last year, we established the Advisory Committee on the Economic Role of Women. This Committee will provide leadership in helping to identify economic problems facing women and helping to change the attitudes which create unjust and illogical barriers to their employment.

PAY AND PURCHASING POWER

The second great question is what people are paid on their jobs and how much it will be for them.

Here the news is also good. Not only are more people working, but they are getting more for their work. Average per capita income rose by 7.7 percent during 1972, well above the average gain during the previous 10 years.

The most important thing, however, is that these gains were not wiped out by rising prices—as they often were in the 1960's. The Federal Government spent too much, too fast in that period and the result was runaway inflation.

While wages may have climbed very rapidly during those years, purchasing power did not. Instead, purchasing power stalled, or even moved backward. Inflation created an economic treadmill that sometimes required a person to achieve a 6-percent salary increase every year just to stay even.

Now that has changed. The inflation rate last year was cut nearly in half from what it was 4 years ago. The purchasing power of the average worker's take-home pay rose more last year than in any year since 1955; it went up by 4.3 percent—the equivalent of two extra weekly paychecks.

We expect inflation to be reduced even further in 1973—for several reasons.

A fundamental reason is the Nation's growing opposition to runaway Federal spending. The public increasingly perceives what such spending does to prices and taxes. As a result, we have a good chance now, the best in years, to curb the growth of the Federal budget. That will do more than anything else to protect the family budget.

Other forces are working for us too.

Productivity increased sharply last year—which means the average worker is producing more and can therefore earn more without driving prices higher. In addition, the fact that real spendable earnings rose so substantially last year will encourage reasonable wage demands this year. Workers will not have to catch up from an earlier slump in earnings.

Finally, we now have a new system of wage and price controls—one that is the right kind of system for 1973.

FIRM CONTROLS IN FORCE; FOOD PRICES FOUGHT

Any idea that controls have virtually been ended is totally wrong. We still have firm controls. We are still enforcing them firmly. All that has changed is our method of enforcing them.

The old system depended on a Washington bureaucracy to approve major wage and price increases in advance. Although it was effective while it lasted, this system was beginning to produce inequities and to get tangled in red tape. The new system will avoid these dangers. Like most of our laws, it relies largely on self-administration, on the voluntary cooperation of the American people.

But if some people should fail to cooperate, we still have the will and the means to crack down on them.

To any economic interests which might feel that the new system will permit them, openly or covertly, to achieve gains beyond the safety limits we shall prescribe, let me deliver this message in clear and unmistakable terms:

We will regard any flouting of our anti-inflationary rules and standards as nothing less than attempted economic arson threatening our national economic stability—and we shall act accordingly.

We would like Phase III to be as voluntary as possible. But we will make it as mandatory as necessary.

Our new system of controls has broad support from business and labor—the keystone for any successful program. It will prepare us for the day when we no longer need controls. It will allow us to concentrate on those areas where inflation has been most troublesome—construction, health care and especially food prices.

We are focusing particular attention and action on the tough problem of food prices. These prices have risen sharply at the wholesale level in recent months, so that figures for retail prices in January and February will inevitably show sharp increases. In fact, we will probably see increases in food prices for some months to come.

The underlying cause of this problem is that food supplies have not risen fast enough to keep up with the rapidly rising demand.

But we must not accept rising food prices as a permanent feature of American life. We must halt this inflationary spiral by attacking the causes of rising food prices on all fronts. Our first priority must be to increase supplies of food to meet the increasing demand.

We are moving vigorously to expand our food supplies:

—We are encouraging farmers to put more acreage into production of both crops and livestock.

—We are allowing more meat and dried milk to come in from abroad.

—We have ended subsidies for agricultural exports.

—And we are reducing the Government's agricultural stockpiles and encouraging farmers to sell the stock they own.

Measures such as these will stop the rise of wholesale food prices and will slow the rise of retail food prices. Unfortunately, nothing we can do will have a decisive effect in the next few months. But the steps I have taken will have a powerful effect in the second half of the year.

These steps will also help our farmers to improve their incomes by producing more without corresponding price increases. We anticipate that farm prices will be no higher at the end of this year than they were at the beginning.

For all of these reasons, we have a good chance to reduce the overall inflation rate to 2½ percent by the end of 1973.

HOLDING THE LINE ON TAXES

The third important economic question concerns how much money people pay out in taxes and how much they have left to control themselves. Here, too, the picture is promising.

Since 1950, the share of the average family's income taken for taxes in the United States has nearly doubled—to more than 20 percent. The average person worked less than one hour out of each eight-hour day to pay his taxes in 1950; today he works nearly two hours each day for the tax collector.

In fact, if tax cut proposals had not been adopted during our first term, the average worker's pay increase last year

would have been wiped out completely by an additional $25 billion in personal income taxes this year.

The only way to hold the line on taxes is to hold the line on Federal spending.

This is why we are cutting back, eliminating or reforming Federal programs that waste the taxpayers' money.

My Administration has now had four years of experience with all of our Federal programs. We have conducted detailed studies comparing their costs and results. On the basis of that experience, I am convinced that the cost of many Federal programs can no longer be justified. Among them are:

—housing programs that benefit the well-to-do but short-change the poor;

—health programs that build more hospitals when hospital beds are now in surplus;

—educational fellowships designed to attract more people into teaching when tens of thousands of teachers already cannot find teaching jobs;

—programs that subsidize education for the children of Federal employees who already pay enough local taxes to support their local schools;

—programs that blindly continue welfare payments to those who are ineligible or overpaid.

Such programs may have appealing names; they may sound like good causes. But behind a fancy label can lie a dismal failure. And unless we cut back now on the programs that have failed, we will soon run out of money for the programs that succeed.

It has been charged that our budget cuts show a lack of compassion for the disadvantaged. The best answer to this charge is to look at the facts. We are budgeting 66 percent more to help the poor next year than was the case four years ago; 67 percent more to help the sick; 71 percent more to help older Americans and 242 percent more to help the hungry and malnourished. Altogether, our human resources budget is a record $125 billion—nearly double that of four years ago when I came into office.

We have already shifted our spending priorities from defense programs to human resource programs. Now we must also switch our spending priorities from programs which give us a bad return on the dollar to programs that pay off. That is how to show we truly care about the needy.

The question is not whether we help but how we help. By eliminating programs that are wasteful, we can concentrate on programs that work.

Our recent round of budget cuts can save $11 billion in this fiscal year, $19 billion next fiscal year, and $24 billion the year after. That means an average saving of $700 over the next three years for each of America's 75 million taxpayers.

Without the savings I have achieved through program reductions and reforms, those spending totals respectively would be $261 billion, $288 billion and $312 billion—figures which would spell either higher taxes, a new surge of crippling inflation, or both.

To hold the line on Federal spending, it is absolutely vital that we have the full cooperation of the Congress. I urge the Congress, as one of its most pressing responsibilities, to adopt an overall spending ceiling for each fiscal year. I also ask that it establish a regular procedure for ensuring that the ceiling is maintained.

THE INTERNATIONAL CHALLENGE

In recent years, the attention of Americans has increasingly turned to the serious questions confronting us in international trade and in the monetary arena.

This is no longer the era in which the United States, preeminent in science, marketing and services, can dominate world markets with the advanced products of our technology and our advanced means of production.

This is no longer the era in which the United States can automatically sell more abroad than we purchase from foreign countries.

We face new challenges in international competition and are thus in a period of substantial adjustment in our relations with our trading partners.

One consequence of these developments was the step we took last week to change the relative value of the dollar in trading abroad.

We took this step because of a serious trade imbalance which could threaten the mounting prosperity of our people. America has been buying more from other countries than they have been buying from us. And just as a family or a company cannot go on indefinitely buying more than it sells, neither can a country.

Changing the exchange rates will help us change this picture. It means our exports will be priced more competitively in the international marketplace and should therefore sell better. Our imports on the other hand, will not grow as fast.

But this step must now be followed by reforms which are more basic.

First, we need a more flexible international monetary system, one that will lead to imbalance without crisis. The United States set forth fundamental proposals for such a system last September. It is time for other nations to join us in getting action on these proposals.

Secondly, American products must get a fairer shake in a more open world trading system—so that we can extend American markets and expand American jobs. If other countries make it harder for our products to be sold abroad, then our trade imbalance can only grow worse.

RESPONSIBILITY OF THE CONGRESS

America is assuredly on the road to a new era of prosperity. The roadsigns are clear, and we are gathering more momentum with each passing month. But we can easily lose our way unless the Congress is on board, helping to steer the course.

As we face 1973, in fact, we may be sure that the state of our economy in the future will very much depend upon the decisions made this year on Capitol Hill.

Over the course of the next few months, I will urge prompt Congressional action on a variety of economic proposals. Together, these proposals will constitute one of the most important packages of economic initiatives ever considered by any Congress in our history. I hope—as do all of our people—that the Congress will act with both discipline and dispatch.

Among the items included in my 1973 economic package are:

—*Extension of the Economic Stabilization Program.* Present authority will soon expire, and I have asked the Congress to extend the law for one year to April 30, 1974. I hope this will be done without adding general mandatory standards or prescribing rigid advance decisions—steps that would only hamper sound administration of the program. A highly complex economy simply cannot be regulated effectively for extended periods in that way.

—*Tax Program.* I shall recommend a tax program that builds further reforms on those we achieved in 1969 and 1971.

—*Property Tax Relief.* I shall also submit recommendations for alleviating the crushing burdens which property taxes now create for older Americans.

—*Tax Credit for Nonpublic Schools.* I shall propose legislation which would provide for income tax credit for tuition paid to nonpublic elementary and secondary schools. These institutions are a valuable national resource, relieving the public school system of enrollment pressures, injecting a welcome variety into our educational process, and expanding the options of millions of parents.

—*Trade Legislation.* Another item high on our agenda will be new trade proposals which I will soon send to the Congress. They would make it easier for us not only to lower our trade barriers when other countries lower theirs but also to raise our barriers when that is necessary to keep things fair.

—*Other Reforms.* To modernize and make them more equitable and beneficial, I shall also later submit recommendations for improving the performance of our private pension system, our unemployment compensation program, our minimum wage laws and the manner in which we deal with our transportation systems.

—*Spending Limits.* Finally, but most importantly, I ask the Congress to act this year to impose strict limits on Federal spending.

The cuts I have suggested in this year's budget did not come easily. Thus I can well understand that it may not be easy for the Congress to sustain them, as every special interest group lobbies with its own special Congressional committees for its own special legislation. But the Congress should serve more than the special interest; its first allegiance must always be to the public interest.

We must also recognize that no one in the Congress is now charged with adding all of our Federal expenditures together—and considering their total impact on taxes and prices. It is as if each member of a family went shopping on his own, without knowing how much

money was available in the overall family budget or how much other members of the family were spending or charging on various credit accounts.

To overcome these problems, I urge prompt adoption by the Congress of an overall spending ceiling for each fiscal year. This action would allow the Congress to work jointly with me in holding spending to $250 billion in the current fiscal year, $269 billion next year, and $288 billion in fiscal year 1975. Beyond the adoption of an annual ceiling, I also recommend that the Congress consider internal reforms which would establish a regular mechanism for deciding how to maintain the ceiling.

I have no economic recommendation to make the Congress which is more important to the economic well-being of our people.

I believe that most members of the House and Senate want to hold down spending. Most Congressmen voted for a spending ceiling in principle when the Senate and House approved a ceiling last fall. Unfortunately the two bodies could not get together on a final version. I believe they must get together soon—so that the Congress can proceed this year with a firm sense of budget discipline.

The stakes are high. If we do not restrain spending and if my recommended cuts are reversed, it would take a 15 percent increase in income taxes to pay for the additional expenditures.

The separation of powers between the President and the Congress has become a favorite topic of discussion in recent weeks. We should never, of course, lose our sharp concern for maintaining Constitutional balances.

But we should never overlook the fact we have joint responsibilities as well as separate powers.

There are many areas in which the President and the Congress should and must work together in behalf of all the people—and the level of spending, since it directly affects the pocketbooks of every family in the land, is one of the most critical.

I have fulfilled my pledge that I would not recommend any programs that would require a general tax increase or would create inflationary pressures.

Now it is up to the Congress to match these efforts with a spending ceiling of its own.

MAKING A CHOICE

We stand on the threshold of a new era of prolonged and growing prosperity for the United States.

Unlike past booms, this new prosperity will not depend on the stimulus of war.

It will not be eaten away by the blight of inflation.

It will be solid; it will be steady; and it will be sustainable.

If we act responsibly, this new prosperity can be ours for many years to come. If we don't, then, as Franklin Roosevelt once warned, we could be "wrecked on (the) rocks of loose fiscal policy."

The choice is ours. Let us choose responsible prosperity.

RICHARD NIXON.

THE WHITE HOUSE, *February 22, 1973.*

PRESIDENT'S MESSAGE ON THE ECONOMY

Mr. GERALD R. FORD. Mr. Speaker, Congress should respond with the greatest sense of urgency to the President's recommendations concerning the economy.

This means the Congress should act promptly to impose strict limits on Federal spending, to reform our tax structure, to provide tax relief for older Americans, to provide parents of nonpublic schoolchildren with income tax credits for a portion of the nonpublic school tuition they pay, and to enact trade legislation giving the President the bargaining power he needs in negotiations with other nations.

We have made excellent economic gains but we have much work to do to achieve genuine prosperity in peacetime. Our greatest effort must go into the fight against inflation. We must, therefore, hold down Federal spending and cooperate to make phase III of price and wage controls a success.

There is no aspect of our national concerns that rates a higher priority than keeping our economy healthy. Hopefully the Congress will join hands with the President in this endeavor.

LEGISLATIVE PROGRAM

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute.)

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute for the purpose of asking the distinguished majority leader the program for the rest of this week, if any, and the schedule for next week.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Mr. Speaker, there is no further legislative business for today, and upon the announcement of the program for next week, I will ask unanimous consent to go over until Monday next.

The program for the House of Representatives for the week of February 26, 1973, is as follows:

Monday is District day, and we have no bills.

For Tuesday and the balance of the week: the interest equalization tax extension, under an open rule, with 2 hours of debate.

Then we have the following committee travel and investigative resolutions, not necessarily in this order, but all subject to being reported by the Rules Committee:

House Resolution 18, Banking and Currency; House Resolution 72, Agriculture; House Resolution 74, Judiciary; House Resolution 134, Veterans' Affairs; House Resolution 162, District of Columbia; House Resolution 163, Interior and Insular Affairs; House Resolution 175, Education and Labor; House Resolution 180, Post Office and Civil Service; and House Resolution 224, Government Operations.

Then we will have the following legislation: H.R. 3298, rural water-sewer grant program, subject to a rule being granted.

Conference reports may be brought up at any time, and any further program will be announced later.

Mr. GERALD R. FORD. Mr. Speaker, does the gentleman have any information on what the possibility might be or what the prospects are as far as a conference report for a vote on a continuing resolution for the appropriations bill?

Mr. O'NEILL. We have no information at this time, Mr. Speaker.

Mr. GERALD R. FORD. The last I had heard, it had not come back from the other body.

Mr. O'NEILL. The gentleman is correct.

Mr. GERALD R. FORD. And the likelihood is it would not come to a vote in any case on Monday; is that correct?

Mr. O'NEILL. The gentleman is correct.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I will yield to the gentleman.

Mr. GROSS. Does the gentleman from Massachusetts mean that rules will be necessary to bring these travel and investigative reports or resolutions before the House?

Mr. O'NEILL. They are all privileged resolutions.

Mr. GROSS. That is what I thought. Then the gentleman does not mean, as he stated, that in the event rules are granted, they will be brought up?

Mr. O'NEILL. I did not mean to make that statement if I did. The gentleman is correct. The rural water and sewer grant program was subject to a rule being granted.

Mr. GROSS. Well, surely, but the resolutions are not.

ADJOURNMENT OVER TO MONDAY, FEBRUARY 26, 1973

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TOWARD RESTORING PUBLIC CONFIDENCE IN GOVERNMENT

(Mr. FREY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FREY. Mr. Speaker, I am reintroducing with 64 cosponsors today a bill requiring annual public financial disclosures to be made by each Member of the House of Representatives, the Senate, and congressional employees paid more than $22,000 each year.

The provisions of my bill, I must admit, are repugnant to me.

Indeed, I resent being subjected to rules and provisions of this bill—rules and provisions which other citizens are not required to follow.

At the same time, however, I understand and firmly believe such extraordinary steps as those contained in my bill are necessary if the electorate is to regain its confidence in government.

We should all be gravely concerned about the suspicion with which far too many citizens have toward Members of Congress.

Lou Harris, the national pollster, found during a 6-year period ending in 1971 that the percentage of the public giving a positive rating to Congressmen and Senators plunged from an already depressing 64 percent to an appalling 26 percent.

Conflicts of interest, in which a very few of our colleagues have been engaged over the years, have led to this suspicion, this cynicism by the public toward public officials.

My bill presently only provides for public disclosures to be made by Members of Congress and certain of their employees but I would hope, after Congress sets itself in order, we can extend the provisions to members of the executive branch as well.

The financial disclosure bill which has been endorsed by the National Committee for an Effective Congress, requires annual reports to be filed with the Comptroller General and made available to the public.

The reports require the listing of the amount and source of each item of income, reimbursement for any expenditure and any gift or aggregate of gifts from the same source received by him or by him and his spouse jointly during the year.

The reports also require the listing of any fee or other honorarium for speaking or writing and the "monetary value of subsistence, entertainment, travel and other facilities received my him."

Additionally, the bill calls for the itemization of each asset held by him and by him jointly with his spouse if the value is $5,000 or greater.

Furthermore, the bill requires the reporting of each liability of $5,000 or more.

The public reports will also include "any business transaction, including the sale, purchase or transfer of securities of any business entity, commodity, real property or any other asset or any interest therein by him or by him and his spouse jointly or by any person acting on his behalf . . . if the aggregate amount involved in each transaction exceeds $5,000."

As I have said, the provisions of my bill are alien to my own beliefs but the rules must be applied and must be followed if we are to restore the public's confidence in its Government.

I am tired of the suspicion, of the snide remarks, and of the jabs at congressional integrity which have become a part of the American scene in the past few years.

It is time to restore the public's confidence in its Government and this bill is a good beginning.

DEATH OF THE HONORABLE WINTHROP ROCKEFELLER, FORMER GOVERNOR OF THE STATE OF ARKANSAS

(Mr. HAMMERSCHMIDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HAMMERSCHMIDT. Mr. Speaker, it saddens me deeply to bring to my colleagues in the House of Representatives news of the death of former Gov. Winthrop Rockefeller of Arkansas. He passed away this morning at Desert Hospital in Palm Springs, Calif.

Mr. Speaker, I know he is more than just the ex-Governor of the State of Arkansas; he is an international figure and a philanthropist, whose good works probably touched every district of those Members serving here in the House.

Mr. Speaker, I plan to have a special order at a later date to give those many Members who knew Win an opportunity to express themselves in the RECORD.

FEDERAL MEAT INSPECTION ACT

(Mr. CHAMBERLAIN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CHAMBERLAIN. Mr. Speaker, on the opening day of this 93d Congress, I introduced H.R. 372 to amend the Federal Meat Inspection Act so that products are considered adulterated when they contain such as lips, snouts, spleens, stomachs, ears, eyes, spinal cords, udders, melts, lungs, livers, crackling or crackling meal, and tongues.

I believe, Mr. Speaker, that the consumer, anywhere in the country, deserves to be able to buy quality comparable to Michigan's outstanding meat products, products which do not contain such animal offal.

During the course of discussions concerning eliminating such byproducts from hot dogs, those supporting existing lower standards argued that eliminating such byproducts could only result in increased cost to the consumer.

Mr. Speaker, I would like to call attention to a survey conducted by the Michigan Department of Agriculture on February 8th and 9th, at which time prices for comminuted meat products were surveyed in Indiana, Illinois, Wisconsin, Ohio, and Michigan.

The prices for hot dogs made to Michigan's strict standards averaged 2 cents a pound cheaper than hot dogs containing animal byproducts. The average price for hot dogs made to Michigan standards and containing only pure skeletal meat was 87.1 cents per pound. The average price in neighboring States for hot dogs containing animal byproducts was 89.2 cents per pound.

I include Mr. Speaker, the statement made by Mr. B. Dale Ball, director of the Michigan Department of Agriculture, detailing the results of his staff's survey, to be printed in the RECORD so that my distinguished colleagues may have the benefit of these significant facts which would tend to refute the argument that raising Federal standards to that of Michigan's high standards would increase the costs to consumers:

CONSUMER PROTECTION NEWS,
MICHIGAN DEPARTMENT OF AGRICULTURE,
Lansing, Mich.

B. Dale Ball, director of the Michigan Department of Agriculture, today branded as "false and misleading" the claims by opponents in the hot dog war that comminuted meat products made to Michigan standards cost more than those which contain animal by-products,

Ball based his charge on information obtained last weekend in a two-day survey of comminuted meat products and prices in 58 stores in Michigan and neighboring states.

"Our inspectors found that prices for hot dogs made to Michigan's strict standards were actually averaging two cents a pound cheaper than for those containing animal by-products, such as tripe, beef lips, pork stomachs and other offal. Average price for hot dogs made to Michigan standards and containing only pure skeletal meat was 87.1 cents per pound. Average price in neighboring states for hot dogs containing animal by-products was 89.2 cents per pound.

"Our survey was designed to avoid any stores which had special sales, and it covered comparable stores in cities of comparable size," Ball said, "so our comparisons are valid."

A total of 47 stores in Indiana, Illinois, Wisconsin and Ohio were visited, along with 11 in Michigan.

"Inspectors brought back samples from five stores in Gary, four in South Bend, Indiana; eight suburban Chicago stores—in Harvey, Riverdale and Calumet Park, Illinois; 17 stores in Green Bay and Marinette, Wisconsin; five in Findlay, Ohio, eight in Lima, Ohio.

"The Michigan samples came from four Benton Harbor area stores, two in Taylor, three in Kalamazoo, one in Menominee, and one in East Lansing," Ball reported.

"Price distortions designed to alarm and mislead consumers cannot be allowed to go unchallenged. USDA has released information which indicates consumers are writing to ask that these unsavory by-products, illegal in Michigan, be permitted. These consumers mistakenly believe this will insure lower prices.

"Not true—and don't you believe a word of it," Ball declared. "Our survey shows you can have comminuted meats made with pure skeletal meat only, without increasing prices.

"Our opponents are spoon-feeding false information to the public in a futile attempt to win through distortion and innuendo what they can't win in the courts and the Congress. I find that contemptible," he said.

"Here's what's really happening to prices. Our inspectors bought Serve 'n Save hot dogs, packed by Inter-American Foods, Inc., of Cincinnati, Ohio, at a Kroger store in Taylor, Michigan. The hot dogs were made to Michigan's strict standards, and the price was 69 cents a pound.

"Serve 'n Save hot dogs, made by the same company, were also being sold in the Kroger store at South Bend, Indiana. But these hot dogs contained beef lips, pork stomachs, beef tripe, pork spleens, and cereal (all illegal in Michigan) and the price was eighty-nine cents a pound.

"Exactly the same product, made by the same company, was available in a Kroger store in Harvey, Illinois. It contained all the by-products, and again the price was eighty-nine cents a pound."

Ball cited another example:

Serve 'n Save bologna, manufactured by Inter-American Foods, Inc., of Cincinnati, Ohio:

Made to Michigan standards and purchased at Kroger's in East Lansing, price 89 cents a pound.

Made to federal standards and containing beef lips, pork stomachs, beef tripe, pork spleens, and cereal (all illegal in Michigan), purchased at Kroger's in Lima, Ohio for 89 cents a pound, and purchased at Kroger's in Harvey, Illinois, for 89 cents a pound.

"Consumers aren't stupid. Any housewife, given the facts of this case, can figure it out for herself. Comminuted meats containing all that offal are selling for just as high prices, or higher, than comminuted meats made to Michigan's stricter standards," the director continued.

"Some of the big national packers have made noises about how they don't really use all those undesirable animal by-products. And that's a lot of baloney.

"In Harvey, Illinois, you can buy hot dogs that contain beef lips, beef tripe, pork salivary glands, lymph nodes and fat, and soy protein concentrate. That's what it says right on the label and the price is 89.5 cents per pound. That's a pretty high price for offal. I know you can buy it—our inspector did, just last Friday, and we have the sample.

"I am shocked that USDA chose to release information on its proposed administrative rule change before the February 21 deadline for filing responses. I can't recall another time when such information was released before all the comments had been received.

"It looks to me as though USDA was sending up a trial balloon, suspiciously like a hot dog made to federal standards—stuffed with unsavory ingredients, listed in fine print," Ball said.

"USDA has been reported as stating that about half the letters received support the use of such by-products. If it's true, consumers who take that position are not fully and accurately informed about the subject.

"Michigan consumers who are writing to USDA in support of the Michigan Department of Agriculture position are educated consumers. They have the facts, and I think they understand the issue. I don't believe they can be misled by such tactics."

RECONFIRMATION OF JUDGES

(Mr. PARRIS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PARRIS. Mr. Speaker, I am today introducing a joint resolution proposing a constitutional amendment to require the reconfirmation of all Federal judges by the U.S. Senate every 8 years. I believe that this resolution, if approved by the Congress and ratified by three-fourths of the States, would achieve a reasonable degree of accountability for Federal judges, without endangering the concept of the independent judiciary.

In recent years we have witnessed an alarming number of Federal judges who are casting aside the traditional principle of judicial restraint. These judges appear to consider their lifetime appointment to the Federal bench tantamount to a mandate to remake the world according to their own moral and philosophical beliefs. Their decisions are not based on existing legal precedent; rather, these judges seem determined to create legal precedents of their own. Their decisions smack of judicial legislation; they infringe on the rightful authority of the elected representatives of the people, and threaten the constitutional principles of the separation of powers.

A classic example of such a judicial legislator is Judge Robert R. Merhige, Jr., who serves on the U.S. District Court for the Eastern District of Virginia. Judge Merhige has so far overstepped his judicial authority that several members of the Virginia General Assembly have introduced a resolution calling for his impeachment. This judge has handed down the only court-ordered busing plan in the Nation which calls for the forced busing of schoolchildren across county lines. Even more unbelievable, and totally without precedent, is a recent decision which, on the basis of uncorroborated evidence, held an administrative official of a prison facility personally liable for the loss of wages of three inmates kept in solitary confinement. The prison administrator was actually ordered to pay damages to the inmates in the sum of $21,265.45.

Mr. Speaker, I have never believed that judicial decisions are necessarily valid moral judgments. Furthermore, I refuse to believe that the simple act of donning a black robe and mounting the bench endows a man with instant divine guidance. But the awesome and complete authority of a judicial office, subject only to a slow, expensive, and difficult appellate process, creates by its very nature an atmosphere conducive to social experimentation. Judges who dabble in this area are in no way subject to the approval of the general public through the elective process, or to the approval of some higher authority for the conduct of their offices.

Irresponsible Federal judges are turning back the clock on the cause of law and order by destroying the peoples respect for the judicial process. I would not mean to imply a blanket indictment of the conduct of responsibility of all Federal judges, most of whom are reasonable, responsible, diligent, and dedicated in their work. Yet it must be acknowledged that the guaranteed lifetime tenure of a Federal judgeship lends itself in some instances to the abuse of judicial powers; the proposed constitutional amendment I am introducing today would eliminate this possibility by creating a reasonable means of accountability for Federal judges for the review of the conduct of their offices.

Mr. Speaker, I urge that the Congress take early action and give final approval to this resolution so that the people themselves, through their State legislatures, will have the opportunity to make the final decision on this question.

RESPONSE TO THE PRESIDENT'S STATEMENT ON THE ECONOMY

(Mr. O'NEILL asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. O'NEILL. Mr. Speaker, I have had an advance look at the statement you are issuing today in response to yesterday's radio message by the President on the economy. You wisely point out that the economic policies of this administration have little regard for the common man, for the people hit hardest by the current steep rise in food prices. I also take note of your prudent warning that this administration's attempt to slow the economy in such an abrupt fashion could easily point this Nation toward recession.

I admire the statement and I should like to associate myself with your remarks and read your statement into the RECORD.

RESPONSE TO THE PRESIDENT'S STATEMENT ON THE ECONOMY

(Statement of Representative CARL ALBERT)

As we have seen, the Republican Administration has been having trouble with its economic policies these past few years. So it was with great expectation that I tuned in on the radio yesterday to hear the President talk about the economy. Now, that is a very complex subject, but I was glad to hear that Mr. Nixon would make it simple so that we could all understand it.

I came away with a somewhat rosy and indeed simplified picture of the economic forecast for the next year. Mr. Nixon said that unemployment would go down—if the economy continues to grow. He said that he expects to have inflation down to two and a half percent by December. That is optimistic indeed. His own chief advisers testifying these past few weeks here on Capitol Hill have told us they expect inflation to get down no farther than three and a half percent. Mr. Nixon said that we are going to have more spending power—at least those of us who have jobs. And he said that food prices are going to go down—after they go up.

Well, I am for good sound economic growth, which is what the President said he was talking about. I am for a peacetime prosperity that is genuine and lasting, which is also what the President said he was talking about.

I hope only that he has not built too much conjecture into his rosy projections. I hope the economy does grow at the rate of seven and a half percent as he said it would, and I hope that it is real growth, not inflation.

I think we can assure the President of this Congress' close interest in the economic policies of his Administration. We will be monitoring these policies very closely during the coming year. And in several areas, where the Congress feels his efforts are deficient, we will not hesitate to take the initiative.

Already the Congress is quite concerned about the steep rise in food prices. Groceries went up two to three percent in January, but I think that is hardly news to the American housewife who was sharply aware of that increase every time she lined up at the checkout counter. And now Mr. Nixon is telling us that we can expect even more increases for the next several months. He said that we have little hope of a decline in supermarket prices before the second half of the year.

In other words, at the very best, we can expect a fifteen to twenty percent increase in food prices during 1973. That is not a tolerable increase even for Americans of average income, to say nothing of the poorest and weakest of us who will be hit hardest.

Secondly, the Congress is wondering whether Mr. Nixon might not have been premature in lifting the compulsory wage-price controls. He also seems to be having second thoughts about his action. And well he should, given the startling increases in food prices which I have mentioned and the increases in rents in some urban areas and the

rise in the costs of some key industrial materials. Mr. Nixon indicated that he might want to return mandatory controls if things get worse. It was Congress, of course, that on its own initiative gave him wage-price control authority in the first place. It was Congress that urged him to use it a full year before he took advantage of it. In the event of another necessity arising this year, Congress again would stand ready to act in whatever manner it deems best for the nation.

In the international field, the President pointed out the difficulties in our trade position and in the instability of the dollar. He has said that he will apply soon to the Congress for trade negotiating authority, and again I am sure that we can work out, jointly with the Executive Branch, the trade posture that is best for this nation. I would remind the American people, however, that we have just witnessed the second devaluation of the dollar in fourteen months. This constitutes an international vote of no confidence in the President's economic policies. He is the first American President to be so judged.

So, altogether, although I want to take an optimistic view of the economic picture for 1973, I cannot be quite so sure that things are as much under control as the President says.

And even if the economy does improve as much as the President says it will, I am still much concerned about the cost of this economic refurbishing upon the common man and the poor and the weak.

Even if the President does get the jobless figure down to four and a half percent by the end of the year, that still means that four million Americans—householders, heads of families, common people—must go without jobs. Four and a half percent unemployment is still fifty percent above the rate we had when Mr. Nixon took office four years ago. This continuing, persistent, nagging unemployment problem reflects the vestiges of Mr. Nixon's policy of using unemployment as a brake on the economy.

We cannot permit him to turn his back on these remaining unemployed. His fiscal 1974 budget still slights jobless Americans. That budget cuts back on a number of job-training and manpower-demand programs that would give vital assistance to Americans who want to get a job but cannot.

We cannot permit the President to make all his budget decisions strictly on a financial basis. We must also take into account the human costs and injury that this kind of budget-cutting inflicts on the individual.

There are real dangers in tightening up this nation's economy as Mr. Nixon is trying to do.

Right now, we are already seeing a slow squeeze on money. Arthur Burns of the Federal Reserve Board is keeping a tight rein on credit, and that means that the interest rate will keep rising. In many areas it already costs nine to twelve percent to finance a car loan.

Mr. Nixon's attempt to expand the food supply by encouraging farmers to plant may result in lower food prices after the next harvest. But in the longer run, we may face higher prices because fewer and fewer producers will be controlling our food supply. Freedom to plant ultimately will drive thousands more family farms out of business. In an open market, they simply cannot compete with agri-business. The plight is not the small farmer's alone; it affects every consumer, every family in this nation.

I'd like to point out once again that it was Mr. Nixon's budgets during his first term that fueled inflation, that pushed us to the economic crisis we now face. The budgets that he requested, that he prepared and sent to the Congress during the past four years, called for deficit spending of $106.2 billion. Yesterday afternoon the President condemned "loose fiscal policy." Well, his own policy of the past four years has been a pretty good example of that. And again, I note that this new budget postulates Mr. Nixon's fifth fat deficit in a row—between $12.7 billion and $27.1 billion, depending upon unemployment.

What concerns me perhaps most of all is Mr. Nixon's frantic effort to retrieve his economic policy after the instabilities of his first few years in office. He is applying the brakes to the economy, and he is tromping down hard. I am concerned that he might succeed too well, that he might put this economy into a slow stall. And if that happens, despite all Mr. Nixon's optimistic predictions of February, 1973, a year from now we could be facing recession.

Let us recognize this Administration's economic mess for what it is. President Nixon's economic record has been a tragic mixture of nonfeasance and malfeasance. That record has been the product of antiquated economic nostrums insensitively and indiscriminately applied by this Administration. These fallacious theories caused the simultaneous recession and inflation of 1969–1970. Present trends would seem to foretell a repetition of that unmitigated disaster if Administration policies are not changed.

The role of Congress here is to monitor Mr. Nixon's activities, to judge carefully and to act prudently to assure that we do indeed pursue the wisest possible economic course—away not only from inflation but from recession as well.

CONSUMERS, JOBS, AND U.S. TRADE POLICIES

(Mr. BINGHAM asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, today I am introducing a comprehensive international trade bill aimed at providing increased protection for the American consumer public and the American worker.

I first introduced this bill in October of last year. I have revised it, and I am honored that the distinguished gentleman from Indiana (Mr. BRADEMAS) is cosponsoring it with me today. The bill draws on proposals made in the 92d Congress by the gentleman from Ohio (Mr. SEIBERLING) as well as on certain provisions of the Burke-Hartke bill. I want to acknowledge my indebtedness to the very thoughtful report entitled "Trade Adjustment Assistance," submitted by the Subcommittee on Foreign Economic Policy under the able chairmanship of the gentleman from Iowa (Mr. CULVER).

The subject matter of this bill is U.S. international trade policy, a topic in the forefront of current news. Recent international economic events have once again stunned the American public. Our record trade deficit, exceeding $6 billion annually, and last week's new devaluation of the dollar underscore the urgent necessity for congressional action to improve this country's weakened trade position. Many factors have contributed to our decline, and a prominent cause of our present problems is the shocking waste of our national resources over the last decade in Indochina which hopefully has been terminated.

Disturbed by foreign barriers to U.S. exports, President Nixon has proposed that he be given greatly increased discretion to raise and lower tariffs in response to other nations' positions on U.S. exports. Although he has not yet submitted a specific legislative proposal to Congress, it is reported that the President is seeking a system whereby he would have broad authority to grant tariff concessions or impose tariff restrictions, subject to the right of Congress to veto such actions within 90 days.

On the other hand, the distinguished chairman of the House Ways and Means Committee, Mr. MILLS, has proposed a flat 15-percent surcharge on all imports as a method of improving this country's trade position. Numerous other suggestions are being articulated by representatives of industry, labor, and consumers, and all will have to be carefully analyzed in our search for equitable solutions to this Nation's economic problems.

American consumer organizations and some industries are demanding liberal import trade policies while some major labor organizations are convinced that those same liberal trade policies have caused increased unemployment in the United States. Consumers see free trade policies as an anti-inflationary method of obtaining an increased selection of available goods at lower prices. Certain labor organizations, on the other hand, insist that "cheap labor" imports put Americans out of work by decreasing the demand for American products and that American investment abroad "exports" jobs out of the United States, resulting in a direct loss of one American job for every job created overseas.

We must bear in mind that in an already tight job market, the American worker perceives the rising tide of imports as a serious threat to his security. Concern about jobs lost to imports has provoked calls for a review of our foreign trade policies and for a reversal of the open trade philosophy which guided these policies through the last three decades.

For most of the period since World War II, these policies have worked well. This period has seen a phenomenal growth in world trade and in the economy of the United States. However, the very success of our international trade and investment policies, together with certain negative factors, including the Vietnam war and enormous military budgets, have led to a basic shift in America's competitive position.

Today, those who advocate freezing imports and restricting the export of American capital do so out of a legitimate concern for the welfare of the American worker. It is a concern which is shared by many of those who have misgivings about the imposition of such controls on trade. The dislocation of any worker is a personal tragedy and a loss to the community and the Nation. Loss of employment means more than just the loss of current income. The problem of adjustment to foreign competition is also a social problem which involves the loss of seniority rights, health insurance, and pension benefits. The psychological shock of unemployment and the breaking of strong ties to one's community if relocation is required are blows which we must strive to prevent.

At the time I became a Member of Congress, hundreds of workers in my congressional district were unemployed. Hundreds of them are still unemployed.

Many more live in fear of losing their jobs. To say that I am concerned about their situation is putting it mildly. Since being in this House, I have spent a great deal of time attempting to get a clear understanding of the causes of unemployment and possible legislative action to remedy the situation.

This bill seeks to achieve a middle ground between the positions of consumers and labor, protecting the interests of both groups. But it must be emphatically stressed that, in America, all workers are consumers and most consumers are workers. Hence, policies which benefit the one "group" do not disadvantage the other "group," for the two "groups" are essentially one and the same.

As the cost of living and the rates of unemployment continue to rise in this country, hard-pressed consumers and workers turn to their elected representatives in Congress for assistance. The purpose of this bill is to respond to that urgent public appeal for solutions to economic woes which confront our Nation. This bill includes elements of tax reform, stimulation of the economy, increased employment, consumer protection, and unemployment benefits all aimed at preserving the advantages of foreign trade and relieving the hardships it might impose on Americans.

The bill which I am proposing would do five basic things:

First, it would insure that Federal tax advantages and incentives to U.S. corporations investing abroad would be granted only if those overseas operations stimulate the U.S. economy, improve the U.S. balance of payments, and benefit the overall employment picture in the United States. Tax incentives would no longer be granted for those U.S. corporate investments overseas which produce a net drain on the U.S. economy.

Second it would help prevent foreign trade practices which give to foreign producers an unfair advantage over American products on the U.S. market. Imported products would then carry prices which reflect actual production costs.

Third existing adjustment assistance programs would be revised to facilitate and insure the provision of Federal financial assistance and retraining for American workers who have lost their jobs due to the purchase of foreign imports by U.S. consumers. Adjustment assistance would also be made available to the communities in which these workers live.

Fourth it would guarantee that the U.S. consumer public would receive the vital advantage of maximum fair competition between American and foreign products. This competition would result in higher quality consumer products at more reasonable and affordable prices. The "laws of the marketplace"—natural economic forces—would weed out inferior or overpriced products. Both United States and foreign producers would be given the impetus to strive for improved productivity and quality all to the benefit of the U.S. consumer.

Fifth, full and clear disclosure of the origin of foreign-made products and components would be required in advertising and packaging. This would aid U.S. consumers in making informed purchasing decisions. Those who want to "buy American" would be able to do so.

A more detailed discussion of the elements of this legislation follows:

TAX REFORM

The present Internal Revenue Code tax structure permits U.S. corporations which invest in overseas subsidiaries producing or assembling consumer goods to defer U.S. income tax on the profits earned by those subsidiaries until the profits are repatriated to the United States. "Repatriation" is the term applied when a foreign subsidiary returns earned profits to its U.S. parent corporation in the form of dividend payments.

In contrast to this, all U.S. parent corporations and their U.S.-based subsidiaries must pay U.S. Federal income tax on their profits in the year in which those profits are earned within the United States. Income tax is paid by a U.S.-based subsidiary even if it retains its earned profits instead of paying them at once to its parent corporation.

Thus, foreign subsidiaries of U.S. corporations presently enjoy the considerable advantage of using their profits, free of U.S. income tax, as long as those profits remain abroad. This tax advantage and incentive for overseas investment is not an evil in itself, but the indiscriminate application of the incentive to all foreign subsidiaries has led, in certain cases, to results which are detrimental to the U.S. economy.

This bill would insure that these tax incentives for U.S. corporate investment abroad would be retained when the overseas investment and production is necessary for the United States to remain competitive with foreign products abroad or here at home, or to gain a foothold in foreign markets. This situation arises when domestic U.S. production, assembly, or transportation costs would be too high to permit a U.S. product to remain competitively priced in world markets, necessitating actual production abroad in order to take advantage of less expensive foreign labor and transportation rates. In this manner, a U.S. corporation can justifiably utilize an overseas subsidiary in order to retain or obtain a share of the world sales market for its product. In this case, no jobs are exported from the United States and no U.S. workers are put out of their jobs.

Various foreign countries presently grant their own producers tax deferrals and incentives on income earned outside their homelands. In certain instances, unless the U.S. Government grants similar tax advantages to U.S. corporations with foreign-based production or assembly subsidiaries, goods produced or assembled by those foreign subsidiaries will not be competitively priced and will be unsalable.

Tax revenues are generated only when foreign source profits exist which can be repatriated. Tax revenues, even if they are delayed until some time after the foreign profits are earned, are certainly better than no tax revenues at all. Consequently, it is desirable that this particular "tax break," which is merely a deferral rather than a forgiveness of a tax liability, be retained where needed to maintain the competitiveness of certain American products manufactured or assembled abroad.

However, in other instances these tax deferral privileges may tend to encourage U.S. firms to shut down operations in the United States and open plants abroad without producing any real benefit for the American economy. This situation arises when foreign production is not necessary for a U.S. product to be competitive, but U.S. companies are seeking even greater profits through cheaper overseas production or assembly costs than they are already earning with competitive American-based production.

American workers are then, indeed, thrown out of work merely to increase corporate profits at the expense of American society as a whole. In these cases, my bill would deny the tax advantage of deferral of U.S. corporate income tax on the overseas income. This step would serve to discourage U.S. corporations from making unnecessary or marginal investments abroad, and would discourage the needless "export" of U.S. jobs and resulting unemployment here at home.

The responsibility for the administration of this program would be placed in the U.S. Tariff Commission, which would make the decisions as to which American overseas investments are, on balance, beneficial to the U.S. economy. American corporations seeking deferral of taxes on their subsidiaries' earnings would have to make application to the Tariff Commission for that privilege. The burden of proving that the foreign investment is neecssary to maintain a U.S. competitive position would rest with the corporations seeking the tax deferral.

The purpose of this tax reform is to encourage a rational and defensible national policy on U.S. investment abroad. Unfortunately, the evolution of our tax laws in the international arena has not kept pace with the changing realities of world economic development and foreign trade. The goals of our present tax laws, which date back to the turbulent post-World War II years during which American investment abroad was encouraged in order to bring financial stability and economic rehabilitation to a war-ravaged Europe and parts of Asia have long since been fulfilled with the economic rebuilding of those areas.

Those goals are now outdated and require fresh analysis and reformulation. This bill aims to retain those tax incentives which benefit the U.S. economy through strengthening the U.S. balance of payments which maintaining maximum possible U.S. employment. It also aims to deny tax incentives to those overseas investments of U.S. capital which, on balance, are no longer in the national interest.

To advocate a blanket abolition of all U.S. tax incentives for foreign-source income would be to "throw out the baby with the bath water," a step which must be avoided if the United States is to

maintain a strong position in international commerce.

ANTIDUMPING AND COUNTERVAILING DUTY PROCEDURES

The greater the freedom to trade, the more necessary it is to have effective means of insuring fair trade. There are foreign firms which seek to gain an unfair competitive advantage by "dumping" their goods on the American market at artificially low prices, attempting to wipe out their American competitors in the process in order to gain a monopolistic control of the market.

Furthermore, some foreign governments seek to subsidize their export industries by picking up the tab for losses which those foreign firms sustain by selling their goods below cost on the American market. The danger inherent to the U.S. consumer in this process is that U.S. domestic industries will be dealt a crippling blow which will drive them out of business, and, when the smoke has cleared, foreign interests will have control of the U.S. market and can demand excessive prices for their goods because of the absence of domestic U.S. competition.

At present, the United States has certain antidumping and countervailing duty laws on the books aimed at preventing such unfair trade tactics. An "antidumping duty" is a special tax collected from the importer of a product which is being priced for sale in the United States below its fair market value. The tax assessed is the sum which represents the difference between the product's U.S. sale price and its fair foreign market value. Antidumping duties are charged when the foreign producer of the imported goods takes the initiative in cutting prices below a fair market value.

"Countervailing duties," on the other hand, are charged when a foreign government pays an export grant or subsidy to one of its own producers in order to enable that producer to cut its sales costs on the American market. The countervailing duty assessed against such goods represents the amount of the subsidy paid to the foreign manufacturer by its own government.

In practice, administrative procedures have made the present antidumping and countervailing duty laws difficult to invoke. This bill would simplify and accelerate the pace of those procedures. Workers and management of industries affected by dumping or foreign subsidiaries could appeal directly to the U.S. Tariff Commission, seeking an investigation of the alleged trade offenses. Present law does not set a time limit on the Commission's deliberations, but this bill would remedy that by setting a time limit of 3 months from date of complaint to the handing down of a Commission decision. The Commission would be empowered to order the Secretary of the Treasury to impose antidumping duties and countervailing duties where appropriate.

These changes would assure U.S. manufacturers and workers timely relief in the event of unfair foreign competition. Furthermore, U.S. consumers would be guaranteed that all producers, foreign and domestic alike, would have an equal opportunity to compete in the U.S. marketplace with products which reflect true costs and actual competitiveness. Unfair trade practices which could force genuine competition out of the marketplace, leading to foreign monopolistic exploitation of the U.S. consumer, would be prevented.

Also in the field of tariffs, this bill would reform the present preferential treatment of products assembled abroad from component parts made in the United States. Reduced tariffs would be permitted only if foreign assembly is necessary to maintain the U.S. competitive position and does not negatively affect the U.S. economy. The U.S. Tariff Commission would have the responsibility for making that determination, and imported products made from U.S. components which do not qualify would be subject to the same tariffs as goods made from foreign components. This step would discourage the unnecessary "export" of American jobs out of this country and reduce unemployment here at home.

ADJUSTMENT ASSISTANCE FOR AMERICAN WORKERS

The free flow of foreign products to the U.S. market, given conditions of fair competition, will result in a greater variety of products available to the U.S. consumer at lower prices. Domestic and foreign producers will be spurred to increase their productivity and to seek technological developments, all to the consumer's benefit.

However, these free market conditions will inevitably lead to situations in which U.S. consumers may prefer certain foreign products over their domestic U.S. counterparts because of better quality or more favorable pricing. U.S. workers involved in the production of these American goods which fall out of favor with U.S. consumers will lose their jobs. It is the responsibility of this Nation to shoulder the task of assisting those workers whose jobs are phased out due to the increased consumer benefits of free international trade.

This bill provides that full adjustment benefits would be made available to those U.S. workers who become unemployed because their companies' production has suffered from the competition of increased foreign imports or transferral of U.S. production or assembly facilities to overseas locations. To qualify for benefits on grounds of increased imports, American workers would only need to show that a decline in their firm's output was accompanied by an adverse change in that industry's trading position, either an increase in imports or a decrease in exports, or that a decrease in their employer's production was due to reduced sales to customers who had made increased purchases of the product from foreign competitors. Workers whose "multinational" U.S. employers transfer production or assembly facilities abroad would be eligible for these benefits as well.

Existing law on adjustment assistance frequently shortchanges American workers. Presently, it is extremely difficult for an unemployed worker to establish eligibility for benefits. First, he must show that increased imports are a "major factor" contributing to an industry's decline. Second, he must demonstrate that these imports resulted in "major part" from trade concessions. In arriving at these highly subjective and often arbitrary decisions, the U.S. Tariff Commission has repeatedly decided against workers.

The new criteria which I am proposing would link the determination of a worker's eligibility for adjustment assistance to specific, readily available economic data and statistics. The U.S. Tariff Commission would no longer have broad discretion which could be utilized to the disadvantage of American workers.

The increased financial benefits proposed by this bill would compensate unemployed workers at the rate of 80 percent of their old wages until they are able to locate suitable replacement work. If the replacement work pays less than the job lost because of foreign imports, the Federal Government will pay the difference so that the worker receives the same income he originally was earning.

Workers who had been employed for less than a year before losing their jobs would be eligible to receive these adjustment benefits for 1 year. Workers who had been on the job for more than 1 year but less than 11 years would be entitled to benefits for 1 year, plus 4 weeks of benefits for every year worked in excess of the first year. Those senior workers who had been with a firm for more than 11 years would be entitled to the benefits described for more junior workers, plus 8 additional weeks of benefits for every year worked in excess of 10 years. These financial benefits are a much-needed improvement over existing law, which only allows a worker assistance payments for a maximum of 1 year, at a rate amounting to merely 65 percent of the national average manufacturing wage.

Job retraining and relocation assistance would be furnished by the Federal Government. Eligibility for adjustment assistance would be contingent upon a worker's making a good faith effort in the job retraining programs offered him by the Government. The adjustment assistance program would be administered by a separate Office of Adjustment Benefits within the Department of Labor.

In addition, the communities in which these workers live could be eligible for adjustment assistance programs administered by the Department of Commerce. This will enable the communities to maintain public services and to develop new employment opportunities for their residents, thus helping to avoid the general decline which strikes towns and cities where industrial activity has been reduced.

IDENTIFICATION OF FOREIGN PRODUCTS

In order for American consumers to make informed purchasing decisions, they must be aware of the country of origin of imported products. This bill would introduce a strong provision, a form of truth-in-packaging law, which would require that the packaging of imported products or of U.S.-made prod-

ucts containing foreign components conspicuously indicate the names of the foreign countries of origin. It would ensure to the American consumer that if he desires to purchase an American product, he will not be misled into buying a foreign substitute. This is in no way a discriminatory provision against foreign goods, but rather it is a method of insuring the fair and honest packaging and competition to which the American consumer is entitled.

I have adopted this provision from a similar section of the Burke-Hartke bill. There are many people in this country who wish to "buy American," and it is entirely fair that they be given every opportunity to do so. Some people "buy American" because they feel that American goods are superior in quality to imported products. Others "buy American" as a patriotic gesture. Whatever their motivations, this provision will guarantee that foreign products or U.S. products containing foreign components will be packaged in such a manner as to clearly indicate, in English, the foreign origins of the items in question.

Mr. Speaker, the proposals contained in my bill are intended to be suggestive trade problems. They do not purport to be exhaustive. Other actions may be desirable, especially in emergency situations. Certainly the Burke-Hartke bill and the proposals offered by the President and by Mr. MILLS deserve careful study and analysis. There may well be cases where import quotas and tariffs limited in extent and in duration, and intended not to reduce particular imports but to hold them at a certain level, become necessary. America's role in world trade and the effect of trade upon the American economy and the U.S. consumer require extensive consideration, analysis, and deliberation, and one cannot be rigidly bound by what may be outdated concepts of the past.

Our goal should be to develop an overall policy which best balances the interests of all Americans—consumers, labor, management, and investors. I hope that the legislation which I am offering will serve as food for thought, stimulating further suggestions and revisions from other Members of Congress as well as the American public. As a member of the House Committee on Foreign Affairs, I feel that the American public must be made aware of all the issues in this area of foreign policy. The interests of the American consumer and workingman are of paramount importance in our formulation of national legislation.

THE IMPORTANCE OF MINIMIZING TRADE BARRIERS

The present economic problems and attendant unemployment in this country have given rise to various proposals which, if put into effect, would in my judgment operate against the overall, long-term interest both of the American workingman and of the American consumer. Two of the approaches suggested are particularly troubling.

In the first category are proposals to institute widespread restrictive quotas and high tariffs on imports. The second concept is to attempt to restrain all or virtually all overseas investment by U.S. corporations. These proposals have been offered with the best intentions of improving the U.S. balance of payments and cutting down on unemployment here at home. However, careful analysis reveals that their long-range effects would not be salutary, and would in fact be diametrically opposed to the interests of the American worker and consumer. Consequently, I have not included any such provisions in the bill which I am introducing today.

It is true that restrictions, quotas, and higher tariffs on foreign imports would result in increased purchasing of U.S.-made products, thus temporarily providing extra employment in the United States. However, history has shown that unilateral trade actions of this type soon draw retaliatory responses from other nations which trigger trade wars, resulting in increased unemployment everywhere. For example, the disastrous results of the 1930 Smoot-Hawley tariff were a major factor contributing to the great depression.

During that period of time, American exports fell more than $3.5 billion, a loss of almost 50 percent of pre-depression exports. Many American jobs today depend upon the export of U.S.-made products, as well as on the importation of goods from abroad. Jobs for American factory workers, clerks, truckers, merchant marine personnel, longshoremen, railway workers, and a long list of other occupations can be traced directly to American exports and foreign imports.

Unless we buy goods from abroad, foreign countries will not possess the U.S. dollars needed to finance their purchases of our exports, demand for U.S. goods will drop, and many American workers will find themselves on the unemployment rolls. Similarly, those Americans who owe their jobs to the import trade would find that import restrictions and reductions would spell unemployment for them. Department of Labor statistics reveal that more than 2.5 million Americans across the land are directly dependent on imports into the United States for their jobs.

Thus, the short-lived employment gains resulting from drastic restrictions on foreign trade would soon vanish as foreign retaliatory quotas on American exports were introduced, available dollars to purchase U.S. goods on world markets dried up, and both imports and exports decreased. An unemployment picture far worse than the present one would emerge. This effect might well be more severe in the New York City area, with its great seaport, air cargo, railway, trucking facilities, and its thousands of importing firms, than in any other part of the country.

On this topic the U.S. Department of Commerce has reported in an April 1971 bulletin that:

As the leading U.S. port in terms of the value of goods moving to foreign markets, New York City has a strong economic interest in exports. The shipment of goods through the port provides considerable income and employment from financing, insurance, forwarding, warehousing, transport, loading, and trade-related services.

The Commerce Department went on to note that:

In the field of actual production for export, New York State was the Nation's leading exporter of products of the printing and publishing industry, that New York exports of manufactured products, notably of both electrical and non-electrical machinery, amounted to over $2.3 billion annually, that $40 million of New York State's agricultural products were exported each year, and that the state's economy benefits from goods produced not only for direct export but also for ultimate export through other states, such indirect exports being of particular importance in industries whose products require further processing or constitute components and parts for assembly into machinery or transport equipment.

The import business is also essential to employment in the New York City area. For example, plans were recently unveiled to construct a $37-million refrigerated warehouse and pier facility for imported meats in Bronx County, part of which I am privileged to represent in Congress. The purpose of this facility is to maintain New York's position as America's leading meat import center. Located in an economically depressed area, this facility will provide 2,000 new jobs with an annual payroll of over a million dollars. Through this installation will be funneled a major part of the 526 million pounds imported annually through New York Harbor, as well as of the 15.4 million pounds of meat exported through New York each year. The much-needed economic impact of a facility of this type upon the Bronx and upon residents of the New York metropolitan area is clear. Restrictive economic legislation would spell disaster for this and similar projects.

Writing to me on the subject of the impact of foreign trade on employment in the New York area, the chairman of the Port of New York-New Jersey Authority, Mr. James C. Kellogg III, stated that:

As the nation's premier gateway for goods moving in international commerce the bi-state Port of New York-New Jersey would be among the foremost to feel the impact of constriction of world trade. Here an estimated one out of every four residents depends on the flow of international trade for the economic basis of his livelihood. There are approximately 23,500 longshoremen handling waterborne export-import cargoes at the port. Some 51,000 truckers and railroad workers transport oceanborne freight to and from the port district. Another 6,500 employees of local motor carriers are engaged in delivering to or picking up freight from marine terminals. Some 55,000 persons are employed by export-import wholesaling organizations, export management companies, combination export managers and the like. Institutions financing international transactions and marine insurance firms provide employment for at least 25,000 persons; ocean freight forwarders, customs brokers, warehousemen, and export packing firms employ another 16,000. There are over 16,000 steamship company employees including headquarters staff, crews, ship brokers, and agents. Nearly 12,000 workers earn their paychecks through maritime equipment supply and service.

"These are but a few examples, for as a result of the current flow of international commerce between this nation and its trading partners there is work for thousands of others who provide essential services to shippers and traders. Moreover, a recently re-

leased report by the U.S. Department of Commerce estimates that 67,500 persons in New York and 28,700 persons in New Jersey are engaged in manufacturing for export.

The thrust of these reports is clear: continued high levels of imports and exports are essential to the economic health of the United States, especially in the New York metropolitan area.

As for Federal tax incentives for U.S. overseas investment, blanket removal of such incentives would result in increased unemployment here at home. The National Association of Manufacturers places at 200,000 the number of people who would be put out of work if tax incentives for overseas investment were abolished. High U.S. costs of labor, transportation, and raw materials make some American products uncompetitive abroad.

In order to sell those particular goods in foreign markets, it is necessary for U.S. corporations to produce them abroad. Their overseas sale results in more jobs for American workers, increased income for U.S. investors, and greater taxes collected by the U.S. Treasury—provided reasonable tax policies are followed.

An example of this can be found with American citrus products, whose high domestic prices prevented their export to Europe. Ten years ago, Florida orange growers began planting groves in Brazil to capture the European export market. Today, juice from those Brazilian oranges is shipped to the United States, where it is repackaged for sale in Europe. That processing and packaging in Florida provides jobs for Americans. The Florida Citrus Commission has acknowledged that the Brazilian juice has helped Florida exporters to maintain a share of the European market, the cost of Brazilian orange juice being less than half that of Florida juice.

A second example is that of a major Midwest manufacturer of farm machinery with principal production facilities in Iowa and Illinois, employing over 38,000 people. In 1956, that corporation exported $30 million worth of its products. In the same year, the company began its first overseas investments. Fifteen years later, in 1971, the company reported $91 million in exports of its U.S. production. That corporation attributes the $61 million increase in exports directly to its foreign investments. It has stated that, as a result of its overseas production and greater visibility in foreign sales markets, foreign customers increased orders of spare parts as well as of machinery manufactured in this country.

Furthermore, that same corporation now exports over $13 million worth of U.S.-made components to its overseas production facilities for integration into machinery produced abroad. The manufacture of these component parts, spare parts, and whole farm machines for export means increased employment here in the United States. This foreign investment has not brought about the "export" of jobs out of America, but has instead had the effect of creating—one might even say "importing"—new job positions for American workers.

As a third example, a major New Jersey-based producer of industrial machinery has increased its exports by 150 percent since it began investing overseas 10 years ago. It now states that 4,000 U.S. employees owe their jobs directly to the export of the firm's products. To illustrate this position, the company reported that following its commencement of production of industrial condensers in Spain, the export of U.S.-made pumps needed for those condensers increased by 158 percent.

Its 1971 annual corporate financial statement revealed that 37 percent of the firm's total sales was of products manufactured abroad, but it also showed that 45 percent of those foreign sales represented component parts manufactured in America and exported to foreign production facilities. Were restrictive foreign investment legislation to be enacted, the corporation estimates that 1,815 workers at plants in New Jersey and Pennsylvania and 836 employees in New York State would lose their jobs.

In the last decade, domestic U.S. employment in "multinational" U.S. corporations with overseas operations rose by 27 percent, while total U.S. manufacturing employment grew by the lower figure of 17 percent. This suggests that jobs here at home may indeed be generated by necessary production abroad. Fears of a massive flight of U.S. capital out of the country, resulting in widescale domestic unemployment, are unfounded, according to the Commerce Department. It estimated that expenditures for plants and equipment by foreign affiliates of U.S. concerns would rise by only 4 percent in 1972 and 6 percent in 1973. Where capital exporting is abused, let us discourage it, but where it produces overall gains for the U.S. economy, it deserves our support.

American consumer organizations and others have warned against restrictive trade and foreign investment policies because of their effect on prices. For example, the League of Women Voters of the United States has pointed out that "protectionist" legislation would mean that:

> Prices in this country would tend to go up, reducing the real income of Americans, affecting particularly those who can least afford it. The consequences of higher prices and a more limited choice of goods would fall especially on the lower income families who are the major buyers of less costly imports of clothing, footwear, and other consumer necessities.

The American Consumer Education Council on World Trade echoes that warning, stating that:

> Tariffs and quotas reduce the competitive pressures on domestic industries, permitting them to charge higher prices and reduce the quality of their products.

Virginia Knauer, Special Assistant to the President for Consumer Affairs, cautions that:

> The imposition of import quotas will hurt virtually every consumer in the U.S., particularly lower income consumers. Higher prices, fewer product choices, reduced competition and a limited supply of imported products are the probable result of proposed import legislation.

Consumer advocate Ralph Nader strikes a key nerve when he warns that:

> Imports are the only real competition for many American firms. The consumer benefits from this competition in price and quality. The American firms gain because they are motivated to increase their productivity for markets both at home and abroad.

In the light of all the evidence and informed opinion available to me, I am convinced that the solution to unemployment does not lie in widespread trade quotas, high tariffs, or excessive overseas investment restrictions. Better answers, I believe, are along the lines of the approaches I have suggested, as well as in increased productivity and technological advances, and a complete overhaul of our national spending priorities.

I do not pretend to have all the answers to the questions and problems raised in this broad area of foreign trade policy and the American worker and consumer. However, I do hope that Congress can soon apply its collective energies, drawing upon the intellectual resources of the American public, to devise a rational, progressive national policy on foreign trade. In that hope, I offer this legislation for consideration.

SECTION-BY-SECTION ANALYSIS

TITLE I—TAX LAW AMENDMENTS

Section 101 indicates that these tax law amendments pertain to the Internal Revenue Code of 1954.

Section 102 provides for the taxation of earnings and profits of controlled foreign corporations.

Section 991 requires that earnings and profits from foreign investment be reported with a breakdown as to the source of the income (i.e.—from each country) for the year in which profits were earned; and that reported earnings and profits follow generally the rules now applied to corporations within the U.S., with adjustments for prior year's deficits, and exemptions for reporting of income where foreign legal restrictions make such reporting unrealistic or U.S. laws make such reporting unfair.

Sec. 992 defines the U.S. corporation as one with 10% or more of the foreign company's stock and defines "control" as ownership of more than 50% of the stock. It defines the foreign corporation with provisions for assuring that indirect control shall be included.

Sec. 993 establishes the mechanism for determining what is considered stock ownership, either direct or indirect.

Sec. 994 provides against double taxation by exempting income that has already been reported for taxes in the U.S. or abroad through a chain of relationships which would be taxed anyway. Proof is required for this exemption, so that information on relationships will be available.

Sec. 995 makes provision so that the U.S. stock has a taxable value related to the new provisions. The basis or the taxable value of the corporate stock will be adjusted by whatever amount is included or excluded in the gross income of the U.S. corporation. This assures that U.S. income abroad does not escape proper capital gains or other revenue collection. The adjustment in the "basis" may be upward for inclusions or downward for exclusions.

Sec. 996 provides that the U.S. Tariff Commission may grant an exemption from the provisions of sections 991–995 to any U.S. firm with respect to its foreign-source earnings, if it finds that the firm's foreign investments and operations do not adversely affect the U.S. balances of trade and payments, or U.S. domestic employment, and that the firm could not domestically produce the articles it is producing in whole or in part abroad and market them abroad competitively with like

or similar articles produced by foreign-owned firms.

TITLE II—ANTIDUMPING ACT, COUNTERVAILING DUTY LAW, TARIFF SCHEDULES AMENDMENTS AND OTHER PROVISIONS

Sections 201 and 202 amend the Antidumping Act and countervailing duty statutes of the Tariff Act to expedite antidumping and countervailing duty procedures by placing their administration in one agency and setting a time limit of three months for the processing of a complaint.

Section 203 amends the U.S. Tariff Code to provide that those items permitting the importation of articles assembled abroad from U.S.-made components at reduced tariffs (items 806.30 and 807.00) shall apply only in cases where the U.S. Tariff Commission finds that the importation of such articles will not adversely affect U.S. exports, the U.S. balance of payments, or domestic employment, and that the importer could not produce the article domestically and market it competitively with like or similar articles produced by foreign-owned firms.

TITLE III—ADJUSTMENT ASSISTANCE AND TRADE

Section 301 is a short title.

Section 302 contains definitions.

Section 303 establishes a separate Office of Adjustment Benefits in the Department of Labor to administer the Adjustment Benefits Program.

Section 304 establishes the criteria for determining workers' eligibility for benefits under this Act. The criteria tie eligibility to easily obtained and readily correlated objective, economic data, assuring that eligibility determinations under this Act will be fair and equitable.

Section 305 establishes the amount and duration of cash benefits under this Act. The benefit levels established are higher than those available under the present Adjustment Assistance Program. Unemployed workers would receive 80% of their own former weekly wages. Eligible workers taking new jobs at reduced wages would receive compensation to bring them up to 100% of their old earning levels, giving workers an incentive to seek new employment as quickly as possible. Workers deemed eligible for Adjustment Benefits would receive them for at least one year, and longer depending on their previous length of service with the firm which lays them off.

Section 306 provides for job retraining for workers deemed eligible for Adjustment Benefits.

Section 307 provides for assistance for eligible workers in relocating within the United States, if such relocation is necessary to obtain suitable employment.

Section 308 authorizes the Director of the Office of Adjustment Benefits to contract for health insurance coverage in behalf of workers deemed eligible for Adjustment Benefits.

Section 309 requires U.S. employers engaged in interstate and foreign commerce to give their employees at least three weeks advance notice of any impending lay-offs or reductions in working hours. Failure to give such notice under this section would be punishable by a $5,000 fine.

Section 310 provides adjustment assistance for communities whose workers are eligible for adjustment assistance. Communities would be entitled to this assistance if their economic base was seriously injured or threatened by reductions in industrial operations due to increased import competition or by the relocation abroad of plant facilities. Upon certification of community eligibility by the Director of the Office of Adjustment Benefits in the Department of Labor, the Secretary of Commerce would administer technical and financial assistance which would contribute to community economic adjustment.

TITLE IV—LABELING OF FOREIGN PRODUCTS

Section 401 requires that all foreign products or goods containing foreign components, even if those goods are assembled in the U.S., must bear labeling which clearly indicates, in English, the country of origin of the foreign products or foreign components.

Section 402 empowers the Secretary of Commerce to issue regulations necessary to effectuate this policy.

Section 403 provides for fines ranging up to $10,000 for willful violation of this title.

TAX RELIEF FOR THE VICTIMS OF BUFFALO CREEK, W. VA., FLOOD

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from West Virginia (Mr. HECHLER) is recognized for 10 minutes.

(Mr. HECHLER of West Virginia asked and was given permission to revise and extend his remarks.)

Mr. HECHLER of West Virginia. Mr. Speaker, on February 26, 1972, at Buffalo Creek, W. Va., 125 men, women, and children were killed, 4,000 were left homeless, and hundreds of homes were destroyed as the result of a wall of water 30 feet high which descended on Buffalo Creek Valley like a giant, greasy fist, sweeping everything in its path.

This disaster came as the result of the Buffalo-Pittston Coal Co. failure to properly engineer, inspect, and maintain a slag pile back of which water had backed up, and which ruptured, causing the death of 125 people.

Subsequent to this disaster the Pittston Coal Co. made settlements with the residents of the valley for the damage done to their homes and property. Many of these individuals utilizing this money for the repair of their homes and establishments are now in a situation of extreme hardship, and they are being taxed for the money which has already been expended for these repairs.

Mr. Speaker, I am introducing legislation to relieve these residents of Buffalo Creek Valley who have suffered this disaster from tax liability for 1972.

AT 10 A.M. YESTERDAY THE WAR ENDED

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 5 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, for many, the war in Vietnam has been a remote, objective thing, a headline, an issue, a concept.

For others, it has been very real and personal and subjective. That is the way it was for Gretchen Wanat of Foxboro, Mass. in my congressional district. Her husband, George, an Army captain, fought in the war, and was captured by the Vietcong, and was then released in the first batch of prisoners.

Jeremiah Murphy in the Boston Globe has captured something of this emotional watershed for the Wanats in his February 14 piece on George Wanat's release. I would like to share it with my colleagues.

These small personal things, I think, point the way to greater understanding of the larger issues with which we grapple.

The article follows:

AT 10 A.M. YESTERDAY, THE WAR ENDED

(By Jeremiah Murphy)

FOXBORO.—The long ordeal of Gretchen Wanat began a new phase Sunday night when she sat in front of the television set and waited and prayed for a glimpse of her returning husband.

Gretchen Wanat was nervous because Army Capt. George Wanat Jr. had been a Viet Cong prisoner for one year. She didn't know he was alive until last month.

Now he was coming home from the awful jungle heat and the fish and rice diet, home after almost always moving from hamlet to hamlet and the constant fear of death. Now he was coming home to Gretchen Wanat.

She is a slender and pretty 26-year-old, and she looks like a teenager, because her brown hair is long and she wore black slacks and a white sweater over a blue blouse.

Gretchen grew up in nearby Stoughton, where she met and later married George Wanat of Waterbury, Conn. He is a Norwich University graduate and was commissioned a lieutenant and then sent to Vietnam in 1971. They had been married 10 months and have no children.

He was an American adviser with a South Vietnam army unit which was overrun by the Viet Cong at Loc Ninh. Wanat escaped and for one month wandered and hid in the jungle and then he was captured.

Now Gretchen lives and waits in an apartment at 4 Fuller dr. in this pretty little company town. She worked for a Providence insurance agency but took a leave of absence Friday, because her husband was coming home. He will decide their next move.

There is a wall-to-wall gold rug on the apartment floor, and a photograph of Captain and Mrs. George Wanat on a bookcase beneath the white painted walls.

The Viet Cong release of American prisoners was delayed 11 hours, but Gretchen sat there and waited in front of the television set. She knew she couldn't sleep.

Ellen Hausmann is her 19-year-old sister, and they stayed up all night, and they cried with happiness when they saw the first prisoners return from Hanoi.

Navy Capt. Jeremiah Denton was the first off the plane, and the sight brought sudden tears to my eyes. He struggled successfully to control his voice and said: "We are honored at the opportunity to serve our country under difficult circumstances—God Bless America."

Some people may say it was melodramatic and perhaps cornball by our current cynical standards, but I say it was so beautiful. Capt. Denton and his words personified brave and strong men and now they are coming home at last.

Now it was morning in that little apartment in Foxboro and the TV announcer said the Viet Cong prisoners were on their way to Clark Air Force Base in the Phillippines, and two hours later it happened.

He was the third man out of the plane and he wore those baggy pajamas and Ellen spotted him and screamed "George! There's George!" Gretchen and her sister hugged each other and laughed and cried and yelled.

Then the longest wait began. Gretchen knew he would telephone her when he could, so she tried to sleep for a few hours but it wasn't any good, so she got up again. Early Tuesday night there was still no phone call and her eyes were heavy. She had not slept for a long time.

So she sat there again in front of the television and watched and waited . . . and waited.

Gretchen sat there through the second long night and watched the film clips over and over, and each time she watched tears filled her eyes and for a little while she couldn't speak.

She didn't see her husband again because apparently that brief section had been clipped out, and after a while she said, "Oh, I wish he would call! He just has to call!"

That second night went on for a long time, and then it was dawn again, and she tried to sleep but it wouldn't come. Then it was 10:15 yesterday morning and the depression and worry were settling in, and she tried to close her eyes and sleep . . . and then the phone rang!

It was the Clark Air Base calling and Gretchen stood there and waited and prayed and then after a while she was saying: "George. I love you! . . . I love you!"

That is how the long ordeal of Gretchen Wanat ended. That is how the Vietnam War ended for Captain and Mrs. George Wanat Jr.

AMENDMENTS TO REVENUE SHARING ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. HEINZ) is recognized for 5 minutes.

Mr. HEINZ. Mr. Speaker, today I am reintroducing with cosponsors, H.R. 3819, legislation I first introduced on February 6. This bill would correct the serious adverse impact of amendments to last year's Revenue Sharing Act, amendments which clamped an overall ceiling of $2.5 billion on Federal spending for social services under the public assistance programs in the Social Security Act. A further stipulation required that 90 percent of these limited funds finance services only for those actually receiving welfare benefits.

One of the most immediate and serious impacts of last year's revenue sharing amendments was the suspension of many ancillary service programs that are badly needed by citizens who are not on welfare even though they are eligible for such assistance. Transportation, nutrition, recreation, personal care, and other services were all either terminated or drastically cut back for elderly, blind, and disabled citizens who had come to depend on them in their struggle to stay off welfare.

We believe that these people are entitled to a life of independence and dignity. To demand that they apply for welfare in order to receive needed social services, which is the effect of the existing law, is both unwise and inhumane. It also runs counter to joint congressional and administration efforts to trim the welfare rolls and to assure that all Americans have the greatest opportunity to remain self-sufficient.

The legislation which I drafted, and which I reintroduce today in a bipartisan effort, stipulates that the 90–10 limitation will not apply to service programs for the elderly, the blind, and the disabled. However, it recognizes the need for a continued limitation on the total amount of Federal support for all service programs. Therefore, this proposal will not lift the $2.5 billion ceiling imposed by earlier congressional action.

The important effect of this legislation will be to allow States to continue funding ancillary service programs for Americans who are elderly or handicapped but who refuse to go on welfare. We urge immediate action on this legislation since many States will soon exhaust the 10 percent of their allotment reserved for social services for nonwelfare recipients.

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

H.R. 4636

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1130(a)(2) of the Social Security Act is amended—

(1) by striking out "of the amounts paid (under all of such sections)" and inserting in lieu thereof "of the amounts paid under such section 403(a)(3)"; and

(2) by striking out "under State plans approved under titles I, X, XIV, XVI, or part A of title IV" and inserting in lieu thereof "under the State plan approved under part A of title IV".

CORRECT CON EDISON'S DEFICIENCIES NOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 10 minutes.

Mr. PODELL. Mr. Speaker, following the devastating interruptions in electrical service in New York City from July 17 to 29, 1972, the Chairman of the Public Service Commission directed the staff of the Commission to investigate the matter thoroughly. Instead, however, the Commission engaged a private consulting firm, Power Technologies, Inc., to provide an assessment of the power failures.

It probably came as quite a shock to most residents of New York to learn that the staff of the Public Service Commission had neither the resources nor the expertise to make its own report. As the regulatory agency having jurisdiction over electrical power in New York, the PSC would be expected to have both the authority and the facilities to protect the general public in this important area where one corporation has a monopoly granted by the State. However, when I wrote to the director of the power division regarding the PSC's authority in the matter of maintenance, his reply contained this rather remarkable statement:

State regulatory commissions do not, to my knowledge, promulgate detailed rules regarding maintenance of all utility equipment, although some may have issued general statements.

On the local level, the mayor's interdepartmental committee on public utilities made its own study of the electric cable failures, and reported that, with the present lack of safeguards, it is possible for a feeder branch to become overloaded, without detection, until it fails. The local study also suggested that, since the present underground cable networks were not built to carry the present summer electric load, excessive overloading may occur on branch cables. Why was this inadequate and outmoded system allowed to go unchallenged until it caused a catastrophe in New York City?

The question, I believe, is one of accountability. The PSC is simply not the watchdog it is supposed to be. Its recommendations after last summer's unprecedented failures were both brief and vague. Its report stated, for example, that—

The frequency and effect of outages can be controlled through design and maintenance practices.

And that—

Repairs . . . should be as prompt as possible, at least during times of heavy load.

This report seems characteristic of the indifference of the Public Service Commission toward its public trust.

The people of New York are entitled to an aggressive, active, and protective Public Service Commission, which will truly represent the public interest in its regulation of Consolidated Edison. In view of the fact that most outages can be traced directly to poor maintenance, I have today written to Joseph C. Swidler, chairman of the Public Service Commission, to demand that the PSC promulgate specific regulations requiring strict maintenance of all generating and distributing facilities in the State, so as to provide the public with a safe, continuous supply of power. It is outrageous that such standards do not already exist, and that Con Edison is permitted to operate with no meaningful maintenance regulations.

Another summer will soon be upon us, and it would be better for everyone if Con Edison's deficiencies were corrected now, through compliance with a set of compulsory standards, rather than waiting until after another disaster has occurred in July.

ILLEGAL ALIEN HEARINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG) is recognized for 5 minutes.

Mr. EILBERG. Mr. Speaker, I wish to announce that Subcommittee No. 1 of the Committee on the Judiciary will hold 2 days of public hearings on March 7, and 8, 1973, to consider H.R. 982, a bill to impose penalties upon employers who knowingly hire illegal aliens. The hearings will be held in room 2237, Rayburn House Office Building and will begin each day at 10 a.m.

An identical bill (H.R. 16188) passed the House of Representatives on September 12, 1972, but was not considered in the Senate.

This legislation is the product of extensive hearings conducted by Subcommittee No. 1 on the subject of illegal aliens during the 92d Congress. The purpose of these additional hearings will be to review and update the testimony which the subcommittee has received on the illegal alien problem, and to ascertain what recent efforts have been made by the Immigration and Naturalization Service to bring this problem under control.

Testimony will be received from Members of Congress who wish to appear and from representatives of the Department of Justice, organized labor, and the Social Security Administration.

CIGARETTE ADVERTISING SHOULD NOT BE A TAX DEDUCTIBLE BUSINESS EXPENSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 15 minutes.

Mr. KASTENMEIER. Mr. Speaker, cigarette smoking is one of the major contributors to premature death and disease in this country. As research into smoking and health continues and widens, the significance of smoking as a public health problem becomes more apparent. Medical evidence showing a link between tobacco smoke and cancer, heart disease, and emphysema is overwhelming and cannot be disputed.

The 1972 Report of the Surgeon General entitled "The Health Consequences of Smoking" has reviewed the research reports, which have become available in the past year, on how cigarette smoking affects biological functions to produce disease. The following statements from the report are brief summaries and 1972 highlights of the statement of knowledge in several areas, including research into three areas which have not been reviewed previously, allergy, public exposure to air pollution from tobacco smoke, and the harmful constituents of cigarette smoke:

STATEMENTS OF THE REPORT

SUMMARY: CORONARY HEART DISEASE

Cigarette smokers have higher death rates from coronary heart disease (CHD) than nonsmokers. This relationship is stronger for men than women. Cigarette smoking markedly increases an individual's susceptibility to earlier death from CHD. Cigarette smoking, hypertension, and elevated serum cholesterol are major risk factors contributing to the development of CHD; cigarette smoking acts both independently and conjointly with these other factors to increase the risk of developing CHD. Cigarette smoking may contribute both to the development of CHD and to the exacerbation of preexistent CHD; both nicotine and carbon monoxide are thought to contribute to these abnormal processes. Cigarette smoking is associated with a significant increase in atherosclerosis of the aorta and coronary arteries. Cessation of smoking is associated with a decreased risk of death from CHD. The risk of CHD incurred by pipe and cigar smokers is appreciably less than that incurred by cigarette smokers.

Highlights of 1972 Report: Coronary Heart Disease

1. Recent epidemiological studies from several countries confirm that cigarette smoking is one of the major risk factors contributing to the development of CHD. Avoidance of cigarette smoking is of importance in the primary prevention of CHD.

2. Studies in man and animals have shown a greater myocardial arteriole wall thickness in smokers than nonsmokers.

3. Experimental and epidemiological investigations implicate the elevation of carboxyhemoglobin levels in smokers as a contributor to the development of CHD and arteriosclerotic peripheral vascular disease.

4. Cigarette smoking is considered to be the major cause of pulmonary heart disease (cor pulmonale) in the United States in that it is the most important cause of chronic nonneoplastic bronchopulmonary diseases. Avoidance of cigarette smoking is of importance in the primary prevention of pulmonary heart disease.

SUMMARY: CEREBROVASCULAR DISEASE

Cigarette smokers have higher death rates from cerebrovascular disease than nonsmokers.

SUMMARY: NONSYPHILITIC AORTIC ANEURYSM [1]

Cigarette smokers have higher death rates from nonsyphilitic aortic aneurysm than nonsmokers.

SUMMARY: PERIPHERAL VASCULAR DISEASE

Cigarette smoking is a likely risk factor in the development of peripheral vascular disease. Cigarette smoking appears to aggravate preexistent peripheral vascular disease.

SUMMARY: NON-NEOPLASTIC BRONCHOPULMONARY DISEASES

Cigarette smoking is the most important cause of chronic obstructive bronchopulmonary disease (COPD) in the United States. Cigarette smokers have higher death rates from pulmonary emphysema and chronic bronchitis and more frequently have impaired pulmonary function and pulmonary symptoms than nonsmokers. Ex-cigarette smokers have lower death rates from COPD than do continuing smokers. Cessation of smoking is associated with improved ventilatory function and decreased pulmonary symptom prevalence. For most of the United States population, cigarette smoking is a more important cause of COPD than air pollution or occupational exposure; cigarette smoking may also act conjointly with occupation or environmental exposure to produce gerater COPD morbidity and mortality. An infrequent genetic error, homozygous alhpa$_1$-antitrypsin deficiency, has been commonly associated with the early development of severe, panacinar emphysema. Whether or not cigarette smoking acts together with the homozygous or heterozygous deficiency states to increase the risk of developing either panacinar emphysema or the more common forms of COPD has not been adequately studied. Cigarette smoking exerts an adverse effect on the pulmonary clearance mechanism. Respiratory infections are more prevalent and severe among cigarette smokers, particularly among heavy smokers, than among nonsmokers. The risk of developing or dying from COPD among pipe or cigar smokers is probably higher than that among nonsmokers but is clearly less than that among cigarette smokers.

Highlights of the 1972 report: Non-neoplastic bronchopulmonary diseases

1. Recent epidemiological and clinical studies from several countries conform that men and women cigarette smokers have an increased prevalence of respiratory symptoms and have diminished pulmonary function compared to nonsmokers.

2. Investigations of high school students have demonstrated that abnormal pulmonary function and pulmonary symptoms are more common in smokers than nonsmokers.

3. Recent occupational studies confirm that cigarette smoking is an important cause of COPD, acting both independently and in combination with occupational exposure.

4. Recent experimental studies confirm that cigarette smoking exerts an adverse effect on pulmonary clearance and macrophage function.

5. Pulmonary macrophages obtained from cigarette smokers exhibit characteristic morphologic differences when compared to those obtained from nonsmokers.

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[1] This summary statement is the same as that appearing in previous reports, because new studies adding to the understanding of this area have not appeared. Consequently, the literature in this area is not reviewed and the statement is only included to complete this summary chapter.

SUMMARY: CANCER

Cigarette smoking is the major cause of lung cancer in men and a significant cause of lung cancer in women. The risk of developing lung cancer in both men and women is directly related to an individual's exposure as measured by the number of cigarettes smoked, duration of smoking, earlier initiation, depth of inhalation, and the amount of "tar" produced by the cigarette. The risk of developing lung cancer diminishes with cessation of smoking. Smokers of pipes or cigars have a lower risk of developing lung cancer than cigarette smokers. Certainly occupations are associated with an increased risk of developing lung cancer. In these occupational settings cigarette smoking appears to exert an effect that produces much higher lung cancer rates than those resulting either from the occupational exposure alone or from smoking alone. Factors associated with urban living result in an increase in the risk of developing lung cancer; this effect, however, is minor compared to the overriding effect of cigarette smoking.

The smoking of cigarettes, pipes, and cigars is a significant factor in the development of cancers of the larynx and oral cavity. Pipe smoking is causally related to cancer of the lip. The significant association between smoking and the development of cancer of the esophagus is somewhat stronger for cigarettes than for pipes or cigars and the combined exposure to alcohol and cigarettes is associated with especially high rates of cancer of the esophagus. Cigarette smoking is associated with cancer of the urinary bladder in men. There is also an association between cigarette smoking and cancer of the pancreas.

Highlights of the 1972 report: Cancer

1. Preliminary results from a major prospective epidemiological study in Japan demonstrate a strong association between cigarette smoking and lung cancer. A dose-response relationship was demonstrated for the number of cigarettes smoked. These findings in an Asian population with distinct genetic and cultural characteristics confirm the major importance of cigarette smoking in the causation of lung cancer, a conclusion which up to now has been based largely on studies of Caucasian populations in the United States, Canada, and Europe.

2. Ex-smokers have significantly lower death rates for lung cancer than continuing smokers. The decline in risk following cessation appears to be rapid both for those who have smoked for long periods of time and for those with a shorter smoking history, with the sharpest reductions taking place after the first two years of cessation.

3. The risk of developing lung cancer appears to be higher for smokers who have chronic bronchitis. Though both conditions are directly related to the amount and duration of smoking, an additional risk for lung cancer appears to exist for cigarette smokers with chronic bronchitis which is independent of age and number of cigarettes consumed.

4. Experimental studies on animals have demonstrated that the particulate phase of tobacco smoke contains certain chemical compounds which can act as complete carcinogens, tumor initiators, or tumor promoters. Recently, other compounds have been described that have no independent activity in two-stage carcinogenesis but *accelerate* the carcinogenic effects of polynuclear aromatic hydrocarbons in the initiator-promoter system.

5. Additional epidemiological evidence confirms a significant association between the combined use of cigarettes and alcohol, and cancer of the esophagus.

6. Epidemiological studies have demon-

strated a significant association between cigarette smoking and cancer of the urinary bladder in both men and women. These studies demonstrate that the risk of developing bladder cancer increases with inhalation and the number of cigarettes smoked.

7. Epidemiological evidence demonstrates a significant association between cigarette smoking and cancer of the pancreas.

SUMMARY: PREGNANCY

Maternal smoking during pregnancy exerts a retarding influence on fetal growth as manifested by decreased infant birth weight and an increased incidence of prematurity, defined by weight. There is increasing evidence to support the view that women who smoke during pregnancy have a significantly greater risk of an unsuccessful pregnancy than those who do not.

SUMMARY: GASTROINTESTINAL DISORDERS

Cigarette smoking males have an increased prevalence of peptic ulcer disease as compared to nonsmoking males and a greater peptic ulcer mortality ratio. These relationships are stronger for gastric ulcer than for duodenal ulcer. Smoking appears to reduce the effectiveness of standard peptic ulcer treatment and to slow the rate of ulcer healing.

Highlights of the 1972 Report: Gastrointestinal Disorders

1. A possible link between cigarette smoking and peptic ulcer has been demonstrated in dogs in which nicotine was found to inhibit pancreatic and hepatic bicarbonate secretion. This could lead to peptic disease by depriving the duodenum of sufficient alkaline secretion to neutralize gastric acidity.

2. An investigation in human volunteers has suggested that cigarette smoking decreases the effectiveness of the lower-esophageal sphincter as a barrier against gastroesophageal reflux.

SUMMARY: TOBACCO AMBLYOPIA [2]

Tobacco amblyopia is presently a rare disorder in the United States. The evidence suggests that this disorder is related to nutritional or idiopathic deficiencies in certain detoxification mechanisms, particularly in the metabolism of the cyanide component of tobacco smoke.

SUMMARY: NON-NEOPLASTIC ORAL DISEASE [2]

Ulceromembranous gingivitis, alveolar bone loss, and stomatitis nicotina are more commonly found among smokers than among nonsmokers. The influence of smoking on periodontal disease and gingivitis probably operates in conjunction with poor oral hygiene. In addition, there is evidence that smoking may be associated with edentulism and delayed socket healing. While further experimental and clinical studies are indicated, it would appear that nonsmokers have an advantage over smokers in terms of their oral health.

(The information contained in the following three summary statements: Allergy, Public Exposure to Air Pollution from Tobacco Smoke, and Harmful Constituents of Cigarette Smoke, is new and appears for the first time.)

SUMMARY OF THE 1972 REPORT: ALLERGY

1. Tobacco leaf, tobacco pollen, and tobacco smoke are antigenic in man and animals.

2. (a) Skin sensitizing antibodies specific for tobacco antigens have been found frequently in smokers and nonsmokers. They appear to occur more often in allergic individuals. Precipitating antibodies specific for tobacco antigens have also been found in both smokers and nonsmokers.

(b) A delayed type of hypersensitivity to tobacco has been demonstrated in man.

(c) Tobacco may exert an adverse effect on protective mechanisms of the immune system in man and animals.

3. (a) Tobacco smoke can contribute to the discomfort of many individuals. It exerts complex pharmacologic, irritative, and allergic effects, the clinical manifestations of which may be indistinguishable from one another.

(b) Exposure to tobacco smoke may produce exacerbation of allergic symptoms in nonsmokers who are suffering from allergies of diverse causes.

4. Little is known about the pathogenesis of tobacco allergy and its possible relationship to other smoking-related diseases.

SUMMARY OF THE 1972 REPORT: PUBLIC EXPOSURE TO AIR POLLUTION FROM TOBACCO SMOKE

1. An atmosphere contaminated with tobacco smoke can contribute to the discomfort of many individuals.

2. The level of carbon monoxide attained in experiments using rooms filled with tobacco smoke has been shown to equal, and at times to exceed, the legal limits for maximum air pollution permitted for ambient air quality in several localities and can also exceed the occupational Threshold Limit Value for a normal work period presently in effect for the United States as a whole. The presence of such levels indicates that the effect of exposure to carbon monoxide may on occasion, depending upon the length of exposure, be sufficient to be harmful to the health of an exposed person. This would be particularly significant for people who are already suffering from chronic bronchopulmonary disease and coronary heart disease.

3. Other components of tobacco smoke, such as particulate matter and the oxides of nitrogen, have been shown in various concentrations to affect adversely animal pulmonary and cardiac structure and function. The extent of the contributions of these substances to illness in humans exposed to the concentrations present in an atmosphere contaminated with tobacco smoke is not presently known.

SUMMARY OF THE 1972 REPORT: HARMFUL CONSTITUENTS OF CIGARETTE SMOKE

A number of substances or classes of substances found in cigarette smoke are identified as those which are judged to be contributors to the health hazards of smoking. These constituents are further divided into the *most likely* contributors to these health hazards (carbon monoxide, nicotine, and tobacco "tar"), substances which are *probable* contributors, and those which are *suspected* contributors. The recommendations for control in this area are to seek progressive reduction of all harmful constituents in cigarette smoke with priority being given first to the most likely contributors named and second to the probable contributors to the health hazards of smoking. These judgments represent the consensus of experts based on current knowledge and are subject to modification and further elaboration as more knowledge becomes available.

Alarmed by the relationships between cigarette smoking and certain diseases, millions of Americans have stopped smoking. Congress moved to limit the power appeal of cigarette smoking by requiring cigarette packs to carry the health warning label and by banning cigarette advertisements from radio and television. Yet, the cigarette industry, persisting in its efforts to push cigarette sales, has rechanneled as much as 75 percent of the $225 million a year that once poured into television into newspapers, magazines, billboards and point-of-sales promotions. Tobacco companies also are blitzing the country with premium offers and cigarette sponsored sporting events, ranging from auto racing, bowling, rodeos, golf, and balloon racing.

American ingenuity and salesmanship have the reputation of being able to sell anything. However, I do not believe the cigarette industry should be left totally free to sell ill health and early death to the American people. While the advertising dollar tax exemption is extended to all businesses in the country, I feel the harmful and deadly effects of the product which cigarette manufacturers market should prevent these industrialists from enjoying this otherwise universal privilege.

Mr. Speaker, the time has come for our society and Government to place a higher priority on protecting the health of the public than on promoting and peddling, through advertising tax exemptions, products which are a major cause of death and disease. Thus, in order to minimize the promotion of hazards to the health of the American people, particularly young people, I have introduced legislation today to amend the Internal Revenue Code of 1954 by removing cigarette advertising as a deductible business expense.

[2] This summary statement is the same as that appearing in previous reports, because new studies adding to the understanding of this area have not appeared. Consequently, the literature in this area is not reviewed and the statement is only included to complete this summary chapter.

STATUS OF U.S. CIVIL SERVICE RETIREMENT SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. DULSKI) is recognized for 10 minutes.

Mr. DULSKI. Mr. Speaker, I have just received a report on the current financial status of the civil service retirement system as prepared by the Chairman of the U.S. Civil Service Commission.

The report by Chairman Robert Hampton is detailed, explaining both the current breakdown of income and outgo, plus projections for the future.

During the 91st Congress, the House Committee on Post Office and Civil Service studied the system carefully and enacted Public Law 91–93 which was intended to place the retirement system on an improved financial basis.

Chairman Hampton's report indicates to me that our committee needs to take another look at the financial integrity of the retirement system at this time.

It is vital that we monitor this program periodically to see that we do not fall back to the precarious financial condition that existed prior to the 1969 act.

I am asking for further background information in preparation for an indepth review by our Subcommittee on Investigations.

The civil service retirement program directly affects millions of present and retired Federal employees. The rapidly changing economic conditions of today make it imperative that we keep the system in close perspective.

Mr. Speaker, as part of my remarks,

I include the text of Chairman Hampton's report and a related table for the information of all Members, present and retired employees, and the American public:

FEBRUARY 21, 1973.

Hon. THADDEUS J. DULSKI,
Chairman, Committee on Post Office and Civil Service, House of Representatives.

DEAR MR. CHAIRMAN: For the past several years I have reported annually to the Committee on Post Office and Civil Service the current status of the Civil Service Retirement System with respect to its financing and with particular emphasis on the effect of Public Law 91–93 enacted October 20, 1969. As reported previously, the improved retirement system financing established by Public Law 91–93 continues to work well and the system is basically in a sound financial position. The year 1972 marked several significant events related to the financing of the retirement system, and I want to use this report to comment on them and on their implications for the future.

First, a brief review of some of the background leading up to the passage of Public Law 91–93 may be helpful to set this in perspective. This law was passed as a result of several years of intense study and concern by your Committee, this Commission, and other interested parties. Our concern at that time was to: (1) identify and recognize the full costs of retirement benefits; (2) make orderly advance preparation to meet these costs; (3) control growth of the unfunded liability, and (4) keep a Fund balance on hand high enough to assure prompt payment of benefits as they become due in the future. A major concern was to base the Fund on a more solid financial footing. A serious financing weakness had arisen over the years because, although employees have always paid their assessed contributions, the Government had not always paid the remaining portion of the cost.

In the process of developing legislation which culminated in Public Law 91–93, agreement was reached on these features which were reflected in the law:

1. Employees and agencies will share equally the full normal cost of present benefits and of all future liberalizations authorized by Congress.

2. Future legislation which creates additional unfunded liability will include authorization for appropriations to the Fund to finance the newly created liability, in equal annual installments over a thirty year period. Liability created by legislation enacted after October 20, 1969 for pay increases, new or liberalized benefits, or extension of retirement coverage to new groups is funded under this provision.

3. The Government assumes full responsibility for unfunded liability attributable to legislation already enacted. It will meet this obligation by making interest payments on unfunded liability by transfer payments from the Treasury to the Fund in progressive increments, beginning with 10 percent in 1971; 20 percent in 1972; and an additional 10 percent each following year until for Fiscal Year 1980 and each year thereafter, the amount transferred will be the full equivalent of interest on the unfunded liability. This provision finances, without funding, (a) the liability already existing when the new financing method was enacted, and also (b) the liability created by future cost of living annuity increases occurring automatically under laws enacted before October 20, 1969.

Since passage of this law, the financing of the retirement system has clearly been strengthened. One indication of this occurred during 1972 when, for the first time since 1920, the cumulative total of Government contributions to the Fund ($24.4 billion) surpassed the cumulative total of employee contributions ($24.1 billion).

On November 2, 1972, I sent to the Congress the Fiftieth Annual Report of the Board of Actuaries of the Civil Service Retirement System, including the Board's valuation of the system as of June 30, 1970. The Board found the normal cost to be 12.95 percent of payroll, but recommended that employee deductions and agency contributions not be reduced below the present combined level of 14.00 percent of payroll because of two issues. The issues are: (1) continuing growth of unfunded liability resulting primarily from cost-of-living increases in annuities; and (2) the effect on the normal cost of the retirement system of a trend toward earlier retirement by increasing numbers of employees.

The first issue is discussed on page 13 of the report printed as House Document No. 93–37, where the Board points out that the cost-of-living increases are not funded. Each such increase adds to the unfunded liability and the interest payments. Assuming that the economy continues to change in the future as it did in 1972, the unfunded liability will increase by $38.4 billion in the next ten years, primarily because of cost-of-living increases in annuities.

The Board suggests that proper funding of these increases could be accomplished either by recognizing the future increases as a part of normal cost in the actuarial valuation, or by including them in the items to be funded by 30-year payments. We find the first alternative unattractive for several reasons. For one thing the legislative history of Public Law 91–93 indicates that the Congress never intended normal cost computations to include provision for financing annuity cost-of-living increases, which result from an earlier law. Furthermore, if normal cost were defined to include possible future cost-of-living increases then logically all economic trends should be recognized in the valuation. We believe this would result in an unrealistic relation to current pay levels, as employees would be asked to pay for tomorrow's inflation from today's pay. There would be a significant increase in normal cost, requiring increased contributions from both agencies and employees.

The second approach, of funding each increase as it occurs through 30-year payments accomplishes the objective sought by the Board without inflating employee or agency contributions. Of the two methods, we believe this one is clearly preferable, but we are not at this time recommending adoption of either alternative suggested by the Board.

The other key issue raised in the Board's report concerns the increasing number of employees who are retiring at an early age. As more and more people tend to retire early, the normal cost of the retirement system is increased accordingly. The early retirement rates published in the 1970 report sent to you last fall show that the rates have increased substantially over the rates in the previous study, published in the 1963 report. If the rates of early retirement continue to increase, the normal cost determination of 12.95 percent of payroll made in the Board's recent report will prove to be too low.

We concur with the Board's suggestion that no action be taken on changing agency and employee contributions until more experience on the early retirement rate is known. We are now studying the experience of the past three years and the early retirement rates seem to be continuing to increase. We will make this data available to the Board as soon as possible for its consideration, and for any further recommendations to the Congress which may be appropriate.

It should be noted that since the Board's valuation, actions taken by the Congress during calendar year 1972 have served to increase normal cost to 13.10 percent of payroll. This resulted from benefit liberalizations enacted for air traffic controllers (Public Law 92–297) and firefighters (Public Law 92–382).

Aside from the Board's report, there is another financing issue still unresolved in connection with additional unfunded liability resulting from pay increases granted by the U.S. Postal Service. Since its establishment, the Postal Service has given five separate pay increases. The Act establishing the Postal Service is not clear as to its liability for reimbursing the Retirement Fund for the unfunded liability created by these pay increases. During 1972 we proposed legislation to require the Postal Service to make reimbursement to the Fund for such unfunded liability through 30-year amortization payments.

Our proposal was not enacted, and we are actively seeking the necessary clearances to include it as part of our legislative program for the 93rd Congress. We note that you have introduced a virtually identical bill, H.R. 29, and we have been asked to report on it. In the meantime, our appropriations requests for Fiscal Year 1972 and Fiscal Year 1973 were reduced by almost $168 million pending decision as to the liability of the Postal Service. Together with interest, the Fund has lost over $179 million in this two year period. We hope that this issue can be resolved through favorable action on our legislative proposal to avoid further departure from the financing method adopted by the 1969 amendments to the retirement law.

A comprehensive picture of retirement system financing may be gained by reference to the table in Attachment A. This table reflects the three sources of Government payments to the Fund (interest payments on unfunded liability; 30-year amortization payments to finance benefit liberalizations; and agency contributions of 7 percent of payroll) as well as employee contributions. In virtually every category, we are dealing with billions of dollars.

This table shows data projections at five years and ten years from now. For the sake of illustration, two sets of projections are shown—Projection A shows figures assuming no changes beyond Fiscal Year 1972 in work force, pay, benefits, and cost-of-living; Projection B shows figures assuming changes each year in work force, pay, benefits, and cost-of-living at the same rate experienced in calendar year 1972. These projections show that Government contributions to the Fund could double or triple over the next ten years, as could benefits paid to annuitants. They also show that unfunded liability could approach the 100 billion dollar mark within ten years.

We continue to believe strongly that any further proposals for retirement program changes should be considered in the light of policy in all other areas for compensation for Federal employees, and with full recognition of the burden being placed on the budget and the taxpayer.

With approximate comparability achieved between overall Government and industry compensation, and with the continuing level of strain on the Federal budget and degree of burden on taxpayers, we urge that any proposal for changing the retirement system be considered in the light of the total compensation package rather than in isolation. This broader scope of consideration will, in our judgment, best serve the public interest.

Sincerely yours,

ROBERT E. HAMPTON,
Chairman, U.S. Civil Service Commission.

ATTACHMENT A.—RETIREMENT FINANCING

[In billions of dollars]

	Actual fiscal year 1972	Projection A—Assumes no changes beyond fiscal year 1972 in work force, pay, benefits, and cost-of-living: Fiscal year 1977	Projection A: Fiscal year 1982	Projection B—Assumes changes each year in work force, pay, benefits, and cost-of-living at the same rate experienced in calendar year 1972: Fiscal year 1977	Projection B: Fiscal year 1982
1. Treasury transfers for interest on unfunded liability and for military service credits	0.6	2.6	3.8	2.9	5.2
2. Appropriations for 30-year amortization of liberalizations	.5	.7	.7	1.8	3.2
3. Agency contributions	2.1	2.1	2.1	2.7	3.5
4. Total Government cost	3.2	5.4	6.6	7.4	11.9
5. Employee contributions	2.1	2.1	2.1	2.7	3.5
6. Annuity payments	3.6	5.4	6.8	6.8	11.1
7. Retirement fund (June 30)	27.7	46.1	71.5	49.5	86.3
8. Unfunded liability (June 30)	63.5	70.1	68.9	82.9	101.9

MANDATORY RETIREMENT

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. SEIBERLING. Mr. Speaker, today I am reintroducing a bill that would prohibit any Member of Congress from taking office after his 65th year. If adopted, it would mean that eventually no Member of the House would be 68 years of age or older and no Member of the Senate would be 72 years of age or older. The amendment would, however, permit any older Member of Congress to complete the term of office he or she held at the time the amendment is ratified.

Finally, the amendment would require all Federal judges, including Justices of the Supreme Court, to retire before the end of their 70th year of age, but would allow them to continue to serve in an advisory capacity.

At a time when we are all concerned with the need to breathe new life into the legislative branch of our Government, this amendment is particularly important. In the last month and a half, we have made significant reforms in House procedures and the committee system which I believe will go a long way toward reestablishing the Congress as a branch of government of equal stature with the executive.

However, in spite of all the important strides we have taken in reforming the legislative machinery of the House and the Senate, we have not touched on one aspect of Congress, which, perhaps more than any other, will ultimately determine whether the proper balance of powers within our Government can be restored—its membership.

In my first term in office, I discovered how difficult and physically taxing a job in Congress can be. The hours are long; the problems are complicated. This is a job for mature men and women, but not for the aged. Yet those in the most important positions in Congress tend to be the oldest as well. In this session, for example, the average age of the chairman of the House standing committees is 65, while the average age of all House Members is 10 years less.

It is no coincidence that practically every U.S. business corporation concerned with its institutional health has adopted mandatory retirement for its officers and employees. The retirement age is usually 65 years. Business has found that without mandatory retirement of older employees, it is extremely difficult to attract and hold the able, younger men and women needed to keep a firm vigorous and progressive.

If Congress is to check the dangerous growth of executive power and resume its proper role as this Government's chief lawmaking body, in short if it is to maintain its health as an institution of Government, it must have a vigorous and forceful membership, in touch with the needs of our people and open to new ideas. Like any other institution seeking to maintain its vitality, Congress needs a continuous flow of new blood. The only way to insure this is through mandatory retirement.

Congress long ago acknowledged the wisdom of mandatory retirement when it established a retirement age for those in Government civil service. It is time that Congress applied this principle to itself.

The same basic considerations that indicate the desirability of mandatory retirement for Members of Congress do likewise for the Judiciary. Many States, including my own State of Ohio, require judges to retire when they reach their 70th year. Mandatory retirement should be applied to the Federal judiciary as well as to Congress.

A MOVE TOWARD ENDING DISCRIMINATION IN FEDERAL TAX SYSTEM

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. SEIBERLING. Mr. Speaker, today I am reintroducing a bill to permit single people and married women to produce 100 gallons of wine a year for personal consumption without paying the Federal excise tax.

This bill would simply extend to single adults, married women, widows, and widowers this tax privilege now enjoyed only by married "heads of household."

I introduced a similar bill last year which was reported by the House Ways and Means Committee, but never acted on by the House. I am hopeful that this year, with tax reform the subject of congressional attention in both Houses, this small, but symbolically significant change can be made in the law.

This inequity was brought to my attention by a constituent, Mrs. Caroline Firth of Akron, Ohio. Mrs. Firth, a widow with several grown children who enjoys making wine at home, applied to the Internal Revenue Service several years ago for a winemaking permit. IRS denied the permit on the grounds that she was not a "head of household."

The bill I introduced in the last Congress amended the law to include single adults, widows, and widowers. Not until after the bill had been introduced did I realize that it continued to perpetuate discrimination against the married woman, living with her husband, who wants to hold a winemaking permit. Under IRS regulations, she is not a head of household, and therefore is not eligible. This inequity has been removed in the bill introduced today.

This is admittedly a minor issue which will not affect a great many citizens, although home winemaking is becoming very popular and I suspect that there are a great many people making wine at home who are breaking the law by not having a permit.

But it has significant symbolic value because it would correct a kind of discrimination which pervades our tax laws: discrimination against people simply because they are not married, and discrimination against women.

Clearly it makes no sense to extend this privilege according to one's sex, marital status, or number of dependents.

Therefore, its speedy passage would be a symbolic gesture that the Congress is ready to end this kind of discrimination, and make the Federal tax system truly equitable.

THE CONGRESSIONAL BLACK CAUCUS' TRUE STATE OF THE UNION

(Mr. STOKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STOKES. Mr. Speaker, a few days ago the members of the Congressional Black Caucus spoke in this Chamber on the matter of the true state of the Union. Many of our colleagues in the House have expressed their concern in being provided with a copy of the full document which we produced. It is for that reason that we hereby present to our colleagues the "Congressional Black Caucus' True State of the Union":

U.S. HOUSE OF REPRESENTATIVES, CONGRESSIONAL BLACK CAUCUS: "THE TRUE STATE OF THE UNION"

OVERVIEW

(Hon. LOUIS STOKES)

On March 25, 1971, the Congressional Black Caucus met with President Nixon in the White House. At that meeting, we presented 60 recommendations to the President and we told him that—

"Our people are no longer asking for equality as a rhetorical promise. They are demanding from the national Administration and from elected officials without regard to party affiliation, the only kind of equality that ultimately has any real meaning—equality of *results*."

The President's reply to our document

came to us two days after the deadline date which we had set for his response. His document consisted of 115 pages—took two months to prepare—and according to his own admission, was compiled by 200 people. The man-hour cost of 200 people working 600 days on this document was well over a million dollars.

Yet the document said nothing. It amounted to a recodification of his Administration's policies and goals, which were after all, the reason we went to see him in the first place. And yet, it had been the President himself who, at our meeting said to us, ". . . I appreciate the candor with which you gentlemen have spoken here this afternoon. If I were in your shoes—if I were seated in your places at this table, I would speak with the same deep commitment and concern with which you have spoken." And then, unsolicited, the President added, "Your people have not gotten a fair shake in this country. . . ." Unfortunately, the President's printed document did not reflect his spoken sentiments. In addition, subsequent statements and programs have shown us that the President carries an extremely low and distorted estimate of the real needs of minority, poor and disadvantaged Americans.

On January 20, 1973, in a perverted twist on the message of John F. Kennedy, President Nixon callously exhorted the American people: "In our own lives, let each of us ask—not just what will government do for me, but what can I do for myself?" The question is a dangerous one in an era when people's ability to help themselves is dwindling and when a federal commitment to humanity is needed more than ever before.

People are helpless when they are uneducated; or poor; or sick; when they are at the mercy of drug addicts and pushers; when they are out of work; when living costs spiral upward beyond their reach; when they live in unsanitary and indecent housing; when they are a minority in a racist nation; and when they are victims of a foreign policy that few believe in. The number of people who lack the tools to become self-reliant is on the rise in the United States today. The fact that this Administration intends to keep those necessary tools locked away—and will award the key only to the privileged and the powerful—was signalled to us in both the Inaugural Address and the 1974 Budget.

The Congressional Black Caucus does not intend to sit idly on the sidelines while corporate and vested interests take bread from the mouths of the poor. Over the past four years we have learned that self-reliance is a virtue which is demanded only from minorities, the poor and the disadvantaged; no one told Lockheed and Penn Central to pull themselves up by their bootstraps. That is the central fallacy in Mr. Nixon's exhortation. It is one which the Congressional Black Caucus intends to expose and to combat—with legislative programs and Congressional action.

We, too, would like to believe in self-reliance, but we see it as a goal. It is not, as Mr. Nixon would have us believe, a means. The means to the end of self-reliance lie in a federal commitment to the fulfillment of human and social needs. The legislative package which we intend to produce would meet the needs of minority, poor and disadvantaged Americans. It would give people the tools they need to lift themselves out of the quagmire of despair and helplessness.

AN ALTERNATIVE

Today, the members of the Congressional Black Caucus stand together in this Chamber to present an alternative to what the President has to offer. The President perceives our society and the solutions to our problems in one way; we have a different perception. We are not afraid to see inequality and injustice—problems that are crying out for solutions. We do not shy away from the challenge of completing a task. We do not take a pollyanna view of our country's situation but, still, we do not despair. We believe that this Congress can, at any time, reassert its powers on behalf of the American people and we intend to help lead this body out of its lethargy.

Today, the members of the Congressional Black Caucus present a report on the True State of the Union. Each section of this document discusses the past record and offers alternatives for the future.

DOMESTIC NEEDS

We begin from the premise that, in this richest and most advanced technological nation, poverty is a shameful anachronism. The federal government has the power to eradicate poverty. In the absence of jobs, the welfare system must be revised to provide an adequate income for every American citizen. At the same time, the government must institute a program of full employment. It should evolve new and more effective manpower training techniques and create millions of jobs in both the public and private sectors. We will oppose the Budget's proposed $600 million cut in manpower programs and its termination of the Job Corps program. The Congressional Black Caucus will work toward full employment. In the meantime, we will promote legislation which assists employable persons during the transition period and permanently provides for the disabled and the disadvantaged.

We do not believe that inflation should or can be fought with unemployment. The proper means of combatting inflation is an effective stabilization program. Phase II should have been succeeded by an improved and strengthened stabilization effort—it should not have been scrapped.

We will watch the implementation of the revenue sharing program with close attention. We are aware of lapses and inequities in the present law and we intend to fill an oversight function which the Administration appears to have abdicated. Special attention will be paid to civil rights compliance within the revenue sharing program. We will fight against proposed special revenue sharing in the areas of manpower, education and community development.

Recent years have witnessed a great disparity between promise and performance in education, health and housing. It is to the everlasting discredit of this President that he has vetoed an unprecedented number of education, health and housing bills. Where the veto has failed, impoundment has succeeded. The Congressional Black Caucus will take part in what we hope will be a massive action by this Congress to prohibit the impoundment of appropriated funds.

The Law Enforcement Assistance Administration, with its block grant approach to funding, was billed as a comprehensive solution to the problems of our criminal justice system. Black people and poor people suffer most from the ravages of crime because they live in areas where crime rates are highest. They also suffer from racial discrimination by the police, in the courts, and in the corrections system. LEAA has failed to provide the innovative leadership necessary for real reform in the administration of criminal justice. Instead, it continues to devote huge sums to the purchase of weapons and hardware for local law enforcement agencies. The rhetoric of "law and order" must be replaced by creative, constructive efforts to deal with the causes of crime and retribution must be replaced by rehabilitation.

A spirit of innovation is desperately needed to solve the growing problem of narcotics addiction and drug-related crime. Our government must attack this scourge at its source by taking retaliatory action against those countries which grow and process the heroin being sold on our city streets and in our schools. We need treatment and rehabilitation facilities and we need drug education programs. Addiction must be treated as a sickness and not a crime. The government must be willing to take on the forces of organized crime if it is to win our national battle against narcotics addiction.

Innovation must also be applied to the rooting out of racism in the military. Our own research and recent events have proven beyond doubt that our armed forces have institutionalized the practice of racism. We believe that the justice which we demand in all walks of daily life must be extended to our armed services.

The difficulties that disadvantaged Americans face nationally are especially acute in the District of Columbia, where nearly a million Americans are denied adequate representation. The Black Caucus will provide the Congressional leadership to rectify this situation.

FOREIGN POLICY

Just as our concerns do not stop at the boundaries of our Congressional Districts, they do not cease at our national borders. We are concerned about oppressed peoples in other lands, particularly on the African continent and in Southeast Asia. We advocate a complete reassessment of our nation's foreign commitments. We deplore this government's sympathy with the white minority in Africa and we intend to resist all Presidential and Congressional efforts to aid the Portuguese, the Rhodesians and the South Africans in their practices and their wars of oppression. This is essential in light of our belief that, unless immediate steps are taken to fulfill our stated commitment to majority rule at home and abroad, Southern Africa might well become our next Vietnam.

We are unalterably opposed to this country's dual practice of colonialism and imperialism, and we have seen the disastrous effects of those policies in Indochina. We will participate in Congressional action to make future Vietnams—future unauthorized and unconstitutional wars—impossible.

We watched as, over the years, officials attempted to justify this country's military presence in Southeast Asia on the grounds that we could not abandon our allies. Billions of dollars and millions of lives were wasted because our government did not ask the same self-reliance from the South Vietnamese as it did from minority, poor and disadvantaged Americans. We demand that the American people be afforded the same advantages and the same assistance that our government poured into a land halfway around the globe.

COMPLEX PROBLEMS NEED COMPREHENSIVE SOLUTIONS

The President has inflamed racism by exploiting the issues of busing, quotas and law and order. We will persist in exposing his inflammatory and simplistic rhetoric for what it is—while advocating programs which provide comprehensive solutions to problems that we recognize as highly complex. In an era when civil rights and liberties are under attack on every front, we will seek to expand those rights.

With each new veto and each new revelation of impounded money, minority, poor and disadvantaged people have been put on the defensive. It is wrong that when the number of poor Americans is increasing, when new and better federal programs are desperately needed, the poor are being made to retrench and to defend programs which were insufficient to begin with.

The American public has been asked to believe that the inadequacies in past programs—such as OEO, Title I, 235 housing or Hill-Burton—make the goals of those programs unrealistic. We disagree. The goals of the poverty program, of equality in education, housing and health care remain goals to work toward. We would expand past pro-

grams which worked and replace those which did not. In this spirit, we will work for the continued existence of programs which are threatened by the 1974 Budget. Some of these are OEO; legal services; regional medical planning; comprehensive health service grants; maternal and child health project grants; NIH research; emergency school assistance; elementary education development grants; Project Follow-Through; funding for Titles III and V of ESEA; drug abuse education; Model Cities; urban renewal; new communities. These are only some of the major cuts. Taken as a whole, the Budget presents a clear view of the distorted and perverted priorities of this Administration.

EMBARKING ON A LEGISLATIVE PROGRAM

This, then, is the True State of the Union as we see it. After over a year of hearings in which we collected data that had never been assembled before, we now embark on a legislative program in this Congress. We believe that a strong Congress is absolutely essential to thwart the repressive and inhumane impulses of this Administration.

We sense growing support in this Chamber for our positions on many issues. We will cultivate that support and work to make this body an equal partner in our tripartite system of government.

While inequality and injustice are facts of life for millions of Americans, we maintain that they are perversions of life. We seek equal opportunity and equal justice for all Americans. The True State of the Union tells us that these remain goals to be sought.

POVERTY PROGRAMING

(Congresswoman YVONNE BRATHWAITE BURKE)

It is a tragic coincidence that both Lyndon Johnson and one of his most forward and important creations are dying within weeks of each other. For just as our former President has passed away, so is the Nixon Administration killing the Office of Economic Opportunity.

Two years ago, the Congressional Black Caucus specifically urged the President not to destroy OEO. And in its response to Caucus, the Administration implied that there was to be a continuing role for the agency. That response noted that "as OEO tests and proves new ideas, as programs 'mature' and become a matter more of management than of innovation, they should be spun off to the line departments which have primary responsibility for administering social programs. This will free OEO to continue its primary mission as innovator and advocate for the poor. It will also increase awareness in the line departments of the special needs of the poor, as proven programs and experienced personnel transfer to those departments. This will give the poor not only a spokesman in OEO, but an enhanced awareness and sensitivity to their needs in the line departments, where on-going programs which affect the poor are administered".

Now, that commitment by the Administration has been abandoned, and those words are revealed as hollow rhetoric. Once again, the Nixon Administration's total lack of concern for the rights and equity of millions of poor and minority Americans becomes evident.

From its inception in the Johnson Administration, OEO was created as a challenge to existing bureaucracies—as a means of showing that new ways of meeting the real needs of the poor could be developed. OEO set out to bring about conditions at the local level to advance institutional change and to affect the decision-and-policy-making processes to encompass and involve the needs of the poor and disenfranchised.

OEO was established because the line departments—the very same agencies to which OEO programs now are being scattered—were both unwilling and unable to deal with low income and minority citizens. And, despite the serious constraints imposed on OEO over the past four years by the Nixon Administration—constraints which limited the ability to seek any new directions or programs—we believe that OEO was becoming a success and that it was making a positive effort to involve the poor in the decisions which affected their everyday lives.

Even before the recent announcement of OEO's final dismantling, as a result of Nixon's policies, it was but a mere shadow of its initial intent and hopes. Starting with an immediate freeze on any new program directions made in the first days of the Nixon term, OEO has been bludgeoned and beaten back until it hardly can be called an effective agency for change and growth.

Yet, we strongly believe that with proper control and funding, OEO can be revived and become a strong advocate for the poor. And it must be Congress taking the lead in this area, because the Nixon Administration has given only lip service to the needs and programs established by and for OEO.

Despite its rhetorical claims of support for OEO, here is the reality of the Nixon job done on the poverty program:

Job Corps—gutted and removed from OEO and switched to the Labor Department.

Head Start and day care—cut back and transferred to HEW.

Legal services—lawyers can be utilized for only menial casework, and the important right to fight instances of explicit governmental lawlessness has been eliminated.

Comprehensive health programs—fund cut 10%.

Community development—funds slashed 30%.

Family planning—funds lowered 37%.

Emergency food and medical service—funds virtually eliminated.

Office of Program Development—abolished outright.

Vista, Foster Grandparents, alcoholism programs—all transferred.

Approximately 30,000 people will be unemployed as a result of dismembering OEO. At the same time, community action, legal services and migrant programs increasingly have subjected to partisan political considerations. Contracts have been awarded to firms on the basis of how much they contributed to the Republican Party—not by any standard of how much they may help poor and needy citizens.

In sum, the net effect of President Nixon's 1971 commitment to OEO as "innovator and advocate for the poor" has been instead dismemberment of the agency, emasculation of anti-poverty programs and abandonment of this nation's poor.

WELFARE REFORM

(Congresswoman SHIRLEY CHISHOLM)

No issue was more cleverly exploited during the first four years of the Nixon Administration than was the issue of welfare reform. And yet, no issue is more worthy of our attention than the survival of the 14 million persons—mostly mothers and children, the aged, the blind, and the totally disabled of all ages and ethnic groups—who are not able to completely take care of themselves.

While repeatedly stating its desire to help welfare recipients become more self-sufficient, the Administration's words have been only that—rhetoric without action. Recommendations made to President Nixon in 1971 by the Congressional Black Caucus included the need for:

A guaranteed income maintenance plan;

Standardization of eligibility requirements;

Establishment of adequate payment standards;

Elimination of degrading treatment of recipients;

Provision of suitable work opportunities which maximize individual freedom of choice and self-respect; and

Improvement of food assistance delivery systems.

Now, in 1973, we must report to the Nation that none of these recommendations was translated into reality. Let's take them point by point.

1. The Administration supported a Family Assistance Plan that set a maximum guaranteed income of $2,400 a year for a family of four, well under the Caucus recommendation of $6,500. However, that $2,400 was actually less aid than 45 of the 50 states were already providing families and would have made recipients ineligible for food stamps.

2. The Administration agreed with the Caucus that eligibility requirements, adequate payment standards, elimination of abuse to recipients and provision of work opportunities were necessary aspects of reform. It also said its proposed program would provide 200,000 public service jobs at no less than the minimum wage, would include additional training and child care and would entail "required acceptance of suitable work or training."

But what happened?

First, the 203,000 jobs provided through the Public Employment Program passed by Congress in 1971 have boiled down to a present 148,000 persons still employed and a directive has gone out from the Department of Labor ordering an end to any new hiring. In addition, the program was designed to reach no more than 3 percent of the unemployed from its inception.

Even more drastic has been the Administration's decision—not publicly revealed until very recently—to put a freeze on most manpower training and job development programs.

Secondly, we all know that President Nixon vetoed last session a comprehensive child care bill which woud have authorized federal support for a child development program for dependents of working parents.

And thirdly, the "required acceptance of suitable work" clause was translated into a repressive "workfare" concept in a bill introduced in the Senate which one dissenting Senator termed a "slavefare" concept.

Under workfare, recipients—except mothers with children under 6—would be required to register for employment with public or private employers for a fee equal to the *prevailing*—not minimum—wage in their locality. They would not be protected by any state or federal laws regulating hours of work, rates of pay, or other conditions of employment except for social security if a private employee in that position were so protected.

Training for job placements for mothers on workfare would have included "cleaning up and beautifying their apartments" and "providing a pleasing home atmosphere with child-centered activities" certainly an absurd and irrelevant preparation for a job outside the home.

As for child care promised by the Administration—this bill proposed that after-school care, if needed, would be the responsibility of any member of the family, whether a minor or an adult, who would be found "capable" of providing supervision.

The workfare approach also established a "parent-locator service" to track down and obtain support from absent fathers, utilizing the services of the U.S. Attorney General, legal service attorneys and regional blood-typing laboratories to determine paternity. Mothers would lose their benefits if they failed to cooperate, even though it is well known that matching blood types of a man and an infant can *disprove* paternity but cannot *prove* that the man is, in fact, the father.

We need not wait until 1984 to decry such police-state tactics!

The workfare bill also included elimination of the declaration methods for determining eligibility, elimination of food stamps and a restriction of fair hearing rights and other legal protection of recipients.

Meanwhile, when state and local governments compared the proposed five year package of $15.8 billion in welfare fiscal relief that Congress offered with the $29.8 billion which would be provided in the same period under the general revenue sharing plan being discussed at the same time, they shifted their support from welfare reform to revenue sharing. Not only was the fiscal relief provided under revenue sharing greater than that under welfare reform the money could be used for virtually anything and therefore was seen as politically more beneficial to a greater number of constituencies.

The preoccupation with securing revenue sharing on the part of state and local governments also led to passage of an amendment to the revenue sharing package imposing a $2.5 billion ceiling on expenditures for social services which, since 1967, had allowed local governments to finance such services as foster care, orphanages, family planning, health, vocational training and rehabilitation, day care, senior citizens centers and drug and alcoholic rehabilitation programs.

In other words, the governments were willing to give up both the $4.6 billion they needed for domestic programs and welfare reform in exchange for a blank check they could spend however they wanted with no strings attached.

It was just as well that the welfare reform bills most favored by the Administration were killed during the 92nd Congress since they were more repressive than progressive in many ways.

However, Congress may find itself deliberating similar legislation again this year, legislation whose intent will be to make life even more miserable for our nation's poor than it is now, legislation that would contain inadequate—if any—provisions for meaningful child care and job training and development.

In spite of this discouraging state of affairs, most thoughtful observers still agree on the urgency of improving—if genuine reform is impossible—the patchwork quilt of welfare programs presently being administered by states and the federal government.

Many feel that improvement is needed to make the system more humane as well as more efficient. But President Nixon's emphasis is on punishing those forced to accept aid in a society that denies them all other choices. Throughout his first administration, the President used "welfare" as a code word to conjure up in the minds of his so-called "silent majority" visions of a woman having another child to increase her dole or a man living off the taxpayers rather than finding a job he could surely have "if he really wanted it."

Although his inaugural speech repeated the word "new" 17 times, according to one commentator, his thesis that "the government should take less from the people so they can do more for themselves" included the same old phrase "work instead of welfare." Once again, the President is waving the red flag by equating those on welfare as being those who do not or will not work for a living. Once again, he is castigating welfare recipients while simultaneously impounding funds for or eliminating entire job training and development programs designed to provide precisely those same persons with an opportunity to escape the hated relief rolls.

In the face of an overall 5.2 percent rate of unemployment—and a disgraceful 10 percent among Blacks—the President is willing to live with this rate of joblessness, claiming it is a curb on inflation. In effect, the poor shall be sacrificed to the interests of the middle class.

Clearly, the prospects for meaningful welfare reform are as dim now as they have been for the last four years. The Nixon Administration still seems bent on penalizing those unlucky enough to be poor in our society.

Nevertheless, we insist that reform is one of the priority issues facing us and our constituents throughout the nation. If the President would have the people "do more for themselves," he will have to help provide them with a chance to reach that admirable goal.

At the very least, those citizens who are desperately trying to survive—with or without aid—should have the following protections:

Extension of minimum wage coverage to those workers—mostly minority group—who are concentrated in the lowest paying and least secure jobs.

Elimination of a sub-minimum wage clause from any welfare reform bill on grounds that almost all Americans will support the concept of a fair day's pay for an honest day's work.

Increased support for job development and public service employment instead of impoundments and freezes on such programs, with the added assurance that welfare recipients and the chronically poor be represented in fair proportion to their numbers.

Provision of child care programs that would include educational and nutritional components rather than being custodial warehousing of the precious children of working mothers.

This Administration's overriding philosophy has been a harkening back to those mythical good old days when every man, woman, and child was tied to the work ethic and when jobs in a developing nation were available to every person who needed to make a living *except* those who, because of race and class discrimination, were denied this basic means of survival.

The inheritors of that caste system are with us today and are still being denied the right to earn a living with dignity and self-respect. They want that right. They need that right. They must have that right with all the privileges that go with it.

HOUSING

(Congressman PARREN J. MITCHELL)

Over the past four years of the Nixon Administration, we have witnessed a deterioration of our cities across the country. This deterioration continues despite that handful of local housing authority heads in each city who are doing their best to provide decent housing for all. It continues despite a plethora of programs and endless reiterations of high-minded goals. For millions of ill-housed Americans, the very real fact is that the Federal government has barely constructed more housing than it has demolished.

Accompanying this deterioration has been a calculated retreat by the Executive Branch from its legislated responsibility to house our nation's citizens. This responsibility is clearly spelled out in the Housing Act of 1937, which committed the government to a policy of utilizing its funds and credit to assist the States and localities in providing decent housing for low-income families. The responbility was formalized with the enactment of the Housing Act of 1949, which quite clearly, called for "the realization as soon as feasible of the goal of a decent home and a suitable living environment for *every* American." Finally, in the Housing Act of 1968, the Congress set forth the goal of some 26 million housing units to be built by 1978. Six million of those housing units were to be for low and moderate income families. This federal responsibility has been reaffirmed by the Congress in each of the four Nixon years.

As the second term of the Nixon Administration begins, conventional starts have been well ahead of schedule. But the subsidy programs—those that create housing for the poor—have been beset with problems from scandal-ridden FHA programs to fiscal abandonment by HUD. Rather than reform the programs or present realistic alternatives, the Administration imperiously cuts off housing for the poor.

This drastic action follows on decades of Federal housing assistance to the well-to-do. FHA, through low-interest rates on guaranteed loans, stimulated the growth of America's suburbs after World War II. In the 25 years following its birth, it insured more than $81 billion in residential mortgages for 7 and a half million middle income families. During that time, however, the agency actively discriminated against Blacks and other minorities by discouraging investment in racially mixed areas. By extending full credit for developments outside of the city limits and by refusing to offer even conservative credit to builders and buyers in the city, FHA successfully closed off the suburbs to Blacks and simultaneously contributed to the decline of the inner city. In 1968, the Congress paved the way for FHA's entry into the inner city by deleting the economic soundness stipulation for mortgage insurance and substituting "acceptable risk" for families that lived in older, declining neighborhoods. Though the Federal intent was to provide more housing for the low and moderate income families, the result has been the victimization of many by speculative builders and investors aided by unscrupulous FHA employees who looked the other way. Leaky basements, poor plumbing, inferior wiring and inadequate insulation are just a few of the problems that have confronted new subsidized homeowners.

The fiscal abandonment by HUD comes at a time when capital and operating costs are at all-time highs as a result of inflation. The Congress, on its part, has been emphatic in its commitment to solving this housing crisis. It enacted the Housing and Urban Development Act of 1969 that contained the Brooke Amendment forbidding local housing authorities to charge tenants rent in excess of 25% of their adjusted incomes. By the same statute, it increased HUD's contract authority by $75 million to cover the costs incurred. In 1970 and again in 1971, it amended the terms of the Brooke Amendment, further reducing the rent burden upon low-income families by defining more stringently the income base against which the 25% stipulation was to be computed, and extending the coverage of the provision to include welfare tenants not covered in the original legislation.

The Administration's response to this affirmative action by the Congress has been thorough disregard. Not until fiscal year 71–72 did HUD pay general operating subsidies to local authorities, and even then, the Department refused to obligate itself except on a year to year basis. This past year, with a HUD projection of $325.4 million needed to cover deficits and provide adequate services, it sought only $170 million. The President said that he lacked contract authority for the additional funds. Congress gave him that authority in the sum of $150 million more than he sought. But as the year ended, these desperately needed funds still had not been released by the President.

Again, during the period ending June 30, 1972, this Administration released funds totaling $200 million less than Congress appropriated for Housing production. This impoundment meant that 144,500 units less of subsidized housing than the President guaranteed the Congress at budget time was produced.

HUD's administrative regulations have been equally discouraging. One regulation declared that local authorities could evict or bar mothers with out-of-wedlock children, despite a Supreme Court ruling to the contrary. Another announced that no more units of public housing could be built unless operating expenses could be held down to 85%

of rental income. This gave preference to the high-income poor. Still another declared that tenants would have to earn enough so as not to spend more than 35% of their income on rents to be eligible for admission into moderate income projects, under Section 236 housing.

The result of these calculated measures has been to leave those who are unable to pay increased rents at the mercy of the private housing market, in which decent housing for low-income families is virtually non-existent.

The picture is quite clear then. The recently announced moratorium on assisted housing is no more than the culmination of a well laid plan by the Executive Branch to disregard the actions of the Congress and to completely emasculate the statutory rights of millions of Americans.

That it comes at a time when housing experts across the country are calling for a tripling of our efforts in subsidized housing is completely understood by the President. He knows that millions of poor people will remain ill-housed and at the mercy of unscrupulous landlords as a result of his actions.

In short, the moratorium is no mistake. There is no misunderstanding. This is Phase I of the Administration plan for complete withdrawal from the field of Housing. These callous actions that ignore the will of Congress and eschew a basic need and right of a massive number of this country's citizens must be stopped.

Local Housing Authorities across the country have been forced to take this Administration into court in order to gain the release of the impounded funds so vitally necessary for their survival. Tenant associations in all of our major cities are gearing up for a protracted struggle. But we in Congress must also do our part.

We strongly urge the President to take the following steps:

1. The immediate release of all impounded funds for housing programs.

2. If the President is insistent about the moratorium, the Caucus recommends that he extend coverage of the moratorium to all phases of Federal housing; not just that for the poor. At issue here is whether this country becomes one that builds houses primarily for shelter or rather one that builds houses primarily for profit.

Additionally, we strongly urge that the Congress take the following steps:

1. With emphasis being placed on Tax Reform in this session, the Congressional Black Caucus calls again for tax legislation to provide for broadening favorable treatment of investment in new and rehabilitated housing to provide identical preference to investment in inner city real property development, sponsored or substantially owned by a community development corporation or other organization of minority or low-income citizens.

2. Finally, we again call for $1 billion a year through large scale housing allowance program to go directly to families. This will give them some choice in housing. Subsidies for new housing would still be necessary though, to make up for the continuing shortage of units.

It is only through such measures as these that we, in the Congress, can avert for America the disaster to which it is headed.

AFRICA

(Congressman CHARLES C. DIGGS, Jr.)

While the Congressional Black Caucus and President Nixon agree that the "two awesome problems" still facing Africa are the quest for modernization and the attainment of majority rule in Southern Africa," our views on the means of resolving those problems are diametrically opposed.

The Caucus finds that the President's concept of "progress" in this area, as in many others, is far from realistic.

President Nixon has failed to act positively on our recommendations of May 1971. Africa has not been given priority in foreign affairs. Far less than 1% of the United States gross national product has been allocated to foreign assistance in the developing countries. A special representative Task Force to provide a comprehensive review of U.S. policy has not been created. The White House rejected our recommendation to withdraw South Africa's sugar quota. This government has not joined the Council of Namibia. While we welcome the appointment of a Black Foreign Service Officer to the American Embassy in South Africa, and note the Administration's intention to encourage private enterprise in Sub-Saharan Africa, we remind the Administration that its interest in supporting the majority ruled states of Southern Africa must include Zambia as well as Lesotho, Botswana and Swaziland.

Since the May 1971 Black Caucus Report to the Nation, there has been a definite trend in United States policy toward more support of repressive minority governments in Southern Africa and the intensification of economic policies that create hardships for the economies of Black African nations.

Despite a United Nation's decision that the least developed countries—and Africa contains 16 of the 25 least developed nations—should be given priority in foreign assistance, the Nixon Administration has decreased the proportion of foreign aid to developing countries since 1971. American aid to Africa declined from 8.4% of its total foreign assistance to less developed countries in 1971, to 7.9% in 1972 and will probably amount to 6.8% in 1973.

Recent revaluation of major currencies, one result of President Nixon's New Economic Program, crippled foreign trade, and monetary reserves and increased external debts of African and other developing states.

The Nixon Administration has refused to endorse an international commodity agreement for cocoa sought by primarily African countries and is threatening not to renew the international coffee trade agreement to which a number of African nations are a party.

The U.S. lags behind the more progressive policy of the European Economic Community is granting general trade preferences to African and other developing countries.

The Nixon Administration has withheld its support from a proposal to further link international finance and credit mechanisms to development needs. Such a link would immeasurably assist African and other developing countries to better handle trade fluctuations caused by price changes in industrial countries. This approach would also help to halt the deterioration in terms of trade for critical items.

As President Nixon designs new trade and international monetary policies, proper consideration should be given to the internal economic needs of less-developed countries. We must avoid at all costs the entrenchment of a world stratification system which consists of a few rich white nations and a massive majority of poor nations of non-white peoples.

If the Nixon Administration's economic policy toward Africa and the rest of the developing world has been deplorable, its posture toward Southern Africa has been nothing short of criminal.

In dealing with Portuguese administered territories:

The satanic assassination of Amilcar Cabral in Conakry last Saturday serves only to dramatize the gravity of the situation in the Portuguese administered territories of Africa. This leader of the PAIGC, slain like Patrice Lumumba and Eduardo Mondlane in a struggle against European colonial domination, was about to proclaim the independance of Guinea Bissau and Cape Verde.

In Mozambique, the effectiveness of the FRELIMO forces has been so successful in the Tete Province of that country, that Rhodesia and South Africa have felt constrained to assist Portugal's defense of Mozambique.

The President bypassed the Senate to sign an executive agreement on the Azores military base in December 1971. By adding a nearly $434 million aid package, he markedly improved Portugal's capacity to wage war.

The President has failed to control the sale of defoliants to Portugal. These chemicals are being used to denude the land in Angola, Mozambique and Guinea Bissau.

The Administration has relaxed the embargo on arms and military equipment to Portugal, allowing certain aircraft, such as helicopters and troop transports, to be exported to the Lisbon regime.

The Nixon Administration voted against a resolution in the last U.N. General Assembly session which declared that liberation movements in territories in Africa under Portugueses administration were authentic representatives of the people there.

Concerning Rhodesia:

As early as September 1970 the Nixon Administration ignored international economic sanctions to permit importation of 150,000 tons of Rhodesian chrome. A year later the White House failed to exert the necessary pressure to block the passage of the Byrd Amendment which permits importation of strategic materials from the Rhodesian rebel colony in violation of United Nations Charter obligations. Even after the African people of Rhodesia dramatically demonstrated their opposition last January to the Heath-Smith accord, the President did virtually nothing to encourage rescinding the Byrd Amendment. We now see that Rhodesia has imposed economic sanctions against Zambia, causing a new threat to international peace and security.

The Nixon Administration appeared to give its approval to this action. Only two months before, the former chairman of the Committee to Re-elect the President, predicted over Rhodesian television on November 27th, a "change" in United States policy "sooner than anyone realized."

Since the passage of the Byrd Amendment, over 25 ships carrying Rhodesian contraband—particularly chromium ore, ferrochrome, nickel and nickel cathodes—have entered the U.S.

This President continues to permit the Rhodesian Information Office, which tends to function as an unofficial Embassy, to operate in Washington, D.C. In contrast, the Rhodesian Information Office located in Australia was ordered closed recently by Prime Minister Whitlam. Turning to South Africa:

While there has been a total failure of the "dialogue with South Africa" policy among African states, the Nixon Administration still pursues a policy of communication and increased contact with the Pretoria regime.

The White House supported renewal of the South African sugar quota. In dealing with Namibia:

The Nixon Administration still allows tax credits to U.S. corporations doing business in Namibia for taxes paid to the illegal South African administering authority. Further, it has taken no concrete action to implement its oral decision in 1967 to discourage new U.S. investment in Namibia.

The Nixon Administration continues to protect American business in Namibia vis-a-vis the illegal administering authority.

We specifically urge the Nixon Administration to:

Take concerted action to improve hiring policies to insure that blacks are represented in the foreign service, world wide at all levels, in all career specialities.

Enforce arms embargoes against South Africa and Portugal especially for aircraft and other military transport equipment and weapons.

Adopt a policy of majority rule for South Africa and disavow the "Separate Development" policy.

End nuclear cooperation with South Africa.

Terminate all military aid to Portugal under NATO until it grants self-determination to its African territories.

Cancel the executive agreement with Portugal on the Azores military base.

Vigorously support U.N. sanctions against Southern Rhodesia and end all dealing with the illegal Smith regime.

Join the United Nations Council on Namibia and seek ways to implement U.N. resolutions and the World Court opinion concerning South African withdrawal from Namibia.

Provide substantial bilateral aid to Zambia consistent with U.S. stated support for majority ruled countries of Southern Africa.

Render all necessary assistance to Zambia following Rhodesia's closing of their mutual border to assure importation and exportation of products required to maintain economic stability.

Grant priority to African countries in the allocation of U.S. foreign economic assistance.

Act forcefully to bring about the demonetization of gold.

Support an international commodity agreement for cocoa and renew the international coffee trade agreement when it lapses this September.

Work actively to obtain a multinational accord on increasing the allocation of International Monetary Fund Special Drawing Rights to the developing countries and linking SDR's to development in those countries.

Make a substantial contribution to the Special Fund of the African Development Bank.

Establish a special Task Force composed of a broadly representative policy group to provide comprehensive review policies affecting Africa.

Maintain the moratorium on U.S. ship visits and shore leave in South Africa until apartheid is ended.

Reject the application of South African Airways for a new air route to the U.S.

THE DISTRICT OF COLUMBIA

(Congressman WALTER E. FAUNTROY)

As this nation approaches celebrations of its bicentennial anniversary, the people of the District of Columbia approach a centennial observance. Tragically, this centennial cannot be called a celebration. Indeed this centennial, unfortunately, is an infamous one. 1973 marks the 99th anniversary of the District of Columbia's being stripped of its right to govern itself. 1974 is the 100th year of bondage.

Much has happened these past hundred years. In 1874, the Congress removed the right of the District of Columbia to elect its local officials and to have a meaningful voice in local affairs. In a real sense, the District of Columbia was among the first colonies. At the end of the 19th Century, this nation found its "manifest destiny" and reached out for colonies the world over—Hawaii, the Philippines, and Cuba. In the past 100 years, these all were governed in one manner or another as a colony of the United States. History and the pressure of events has caused each to be freed from colonial domination. Only one real colony remains. The District of Columbia is truly the last colony.

People in the District of Columbia have no vote in the Congress. They have no right to elect local officials directly responsible to them.

They pay taxes and pay the overwhelming share of the cost of running local government, but they have no right to determine what those taxes are or determining how their tax money shall be spent. For these hundred years, the Congress of the United States has acted as the City Council and the state legislature for the District of Columbia. No man, no matter how good his motivation or strong his ideals, can know what is right for the people of the city unless he is accountable to those people.

While the bicentennial celebration is inevitable, we in the 93rd Congress, and particularly Blacks in the 93rd Congress, will have an unparalleled opportunity to make certain that the District's infamous centennial does not come to pass. With the District's 71% Black population, Blacks across this country will view Congressional action on this question as a test of whether Congress will deal with the problems of Blacks generally in a fair and just fashion. We have an opportunity to give the people of the District of Columbia what is justly theirs—the right to govern themselves, thus bringing 99 years of bondage to an end. This is our challenge.

The task is not simple. The path is not free of obstruction. Both Congress and the President have a major role in making this dream come to pass. First, the framework for self-determination must be laid. The Nelsen Commission has made a number of recommendations for the shaping of the present District Government into an efficient machine for delivery of government services. We know that the Committee on the District of Columbia under its new leadership will bring forth an implementation of these recommendations. As the Nelsen Commission itself indicated, however, the implementation of its recommendations cannot serve as a substitute for the granting of self-determination to the people of the District of Columbia. At the same time that the foundation for efficient and responsive government is being set, the Congress must move forward to find a form of self-government that reflects the best information and expertise that can be used to fashion self-rule for the people of the District. We are confident that this can be done. This Congress can also give the people of the District of Columbia voting representation in both the House of Representatives and the Senate.

Congress has its responsibility, and the President also must act. The White House has been strangely silent in the past 18 months about its attitude toward self-rule for the people of the District. It has been unwilling to use its influence to shape a constructive approach to the problem. All we have seen is silence and indifference. Even at the time in the last session of Congress when home rule legislation may have been within grasp, the President did nothing and provided no help.

Self-rule for the District of Columbia is not a Republican issue nor a Democratic issue. It is not even strictly a Black issue. The denial of self-determination for the people of the District is an issue of democracy, central to whether this nation can be perceived to be truly free. As long as the District of Columbia is denied its just rights under a democracy, an indelible stain is spread across the pages of this nation's political history.

EMPLOYMENT AND THE ECONOMY

(Congressman AUGUSTUS F. HAWKINS)

The Nixon Administration has greeted recent signs of recovery from its 1970–71 recession as "good news" justifying program retrenchment, widespread cutbacks in federal spending, and continuation of economic policies that "feed the fat and starve the lean."

While real growth of the 1972 Gross National Product averaged 6.5 percent, inflation was 3.0 percent. The growth rate exceeded averages for the post World War II years only because such advance is normal in years of recovery from deep recessions. But figures such as these are not realistic gauges of economic growth.

Administration claims of high employment and a decreasing unemployment rate for 1972 must not be judged by the "official" figures, but by examining the actual situation in which millions of American citizens live: in poverty, with margional employment, insecurity, and alienation.

The Nixon Administration is, in fact, failing, through statistical misrepresentation, to count an estimated 20 million persons who are able and willing to work but who for various reasons are not covered under the Labor Department definition of job seekers.

Some, for example, stop looking for jobs that don't exist and are never counted in the BLS work force and unemployment statistics. In addition to these discouraged workers, there are other categories of the uncounted unemployed and underemployed. They include those who are involuntarily working part-time; the "hidden unemployed"—housewives, welfare recipients, older persons, etc.; and those, who, for legitimate but temporary personal reasons, are not seeking work. Taken together, they reach a true figure of not 4.3 million, but over 20 million uncounted unemployed. Even this number does not include the thousands of underemployed persons who work full time but do not earn enough to support themselves and their families. (The current minimum wage, $1.60 per hour, paid to a person working a 40-hour week amounts to a yearly income of $3,328.)

Because the Administration continues to exclude these persons from its statistics, we are presented with the illusion of relative employment prosperity. Moynihan's benign neglect has become malignant disregard of millions of people without jobs. One of the numerous negative results of this under-reporting is that it allows the President to cut the funding of some job and job-training programs, and to abolish others entirely. In addition, the lack of public awareness of the extent of the problem prevents public demand for remedial action. Thus, severe unemployment continues—leading to increased welfare rolls, the dismembering of families, hostility between ethnic groups vieing for the same jobs or programs, and, of course, more crime.

We believe that the Nixon Administration must be willing to commit itself to guaranteeing full productivity and full use of our human resources through a vigorous program of public service jobs and sensitive and relevant economic and fiscal policies conducive to the highest levels of employment by private enterprise.

Having failed to acknowledge the true number of unemployed persons and thus to take appropriate measures to see that necessary jobs were available, this Administration has cost America billions of dollars.

A recent Joint Economic Committee study indicates that some $12 to $15 billion of federal tax revenue is lost for every one percent of unemployment. State and local governments likewise lose several times more in revenues than they obtain from so-called revenue sharing. Another study has stated that on an annual basis, about $7.8 billion of GNP alone is lost due to underemployment and unemployment of minorities.

We think these figures demonstrate quite well the magnitude of the problem of unemployment and its far-reaching effect on our total economy. Although not all persons included in unemployment categories can be expected to work, we do have a clear indication of the gross under-utilization of human resources.

We contend that this historic waste of

human resources as expressed in high minority group unemployment rates is bad enough to permit it to continue in the future would be to compound inhuman and uneconomic fallacy. Surely the American economy is sufficiently mature and rich enough to make jobs available to everyone who wants to work.

We refute the cynical theory that lowering the unemployment rate would necessarily lead to inflation. Essentially, we see the Administration's current economic policy as saying that lowering the unemployment rate has a direct and negative effect on inflation. Therefore, Administration economists claim, if the unemployment rate goes down, inflation necessarily has to go up. And, it becomes increasingly clear that the Administration is more than willing to trade off millions of workers to stop inflation.

In the first place, the economy is entirely too complex for such simplistic reasoning that to lower unemployment will lead to higher inflation. An Administration that wants to interject itself into the economy, can battle inflation through other means—namely, for example, through monetary policies. At this stage of our nation's economy, it is preposterous to see the Gross National Product increasing at 6.5 percent in one year and the Chairman of the Council of Economic Advisors saying that the "average person" is better off as a result. But we know that the "average person" has *not* benefited this much and we know that the person who is unemployed is not "average" but does have an unalienable right to participate in that 6.5 percent increase in GNP.

Secondly, we detect a cynicism in an Administration's policies which want to scrap social programs—manpower training, education, day care—under the guise of reducing the role of government in the economy while at the same time they impose controls on the wages of working people, allow prices and profits to rise, and even promote guaranteed loans to large corporations. Is the land of opportunity really one where people can be permitted to be unemployed while an inefficient "free enterprise" corporation is saved by the government?

We contend that an Administration that has an interest in one minority—big business—has a moral commitment to another minority—the unemployed and underemployed minority labor force of this country.

The Congressional Black Caucus in its statement to the President in 1971 recommended the creation of 1,100,000 public service jobs; a comprehensive manpower planning program that could train the unskilled for those jobs and for others in the private sector; basic changes in federal recruitment, testing, and promotion policies to make them more equitable; enforcement of the mandate of the Office of Federal Contract Compliance to ensure equal employment opportunities for potential and actual employees of companies with federal contracts; and cease and desist power for the Equal Employment Opportunity Commission.

In 1971 Congress enacted the Emergency Employment Program to provide temporary assistance to the unemployed. In order to get Nixon's approval of the bill, it had to be cut down to 110,000 jobs, and then the Administration allowed it to be rampantly misused for political and familiar payoffs.

The Office of Federal Contract Compliance suffers from the lack of authority to enforce its own guidelines. It has become clear that the current Administration has neither the interest nor the desire to see that women and minority workers have a fair chance to get jobs with federal contractors. On the contrary, the National OFCC Director has been told to go slow on compliance and has had his supervisory relationship with the OFCC Field Representatives taken away.

In regard to testing, the Civil Service Commission has held that the decision of the Supreme Court in ***Duke v. Griggs Power Co.*** which says tests must be job-related does not apply to jobs within the Civil Service Commission itself. And CSC continues to recommend and place potential federal employees in jobs using the results of tests that are patent non-job-related and furthermore have never been validated.

Finally, of those recommendations to the President here mentioned, the empowering of the EEOC to bring suit against groups not in compliance with the Civil Rights Act of 1964 was accomplished in Congress last March largely through the efforts of Members of this Caucus. Thus, two years after our Statement to the President, we find that only one of the recommendations was carried out—but only against the bitter opposition of the Administration, and in a weakened form.

Looking at America's continuing economic prosperity and an always rising GNP, it becomes more and more evident that all that is needed is a genuine commitment from this Administration to develop and implement a policy that says to every person able and willing to work—there is a job for you.

HEALTH

(Congressman RALPH H. METCALFE)

Racism is more than a matter of civil rights.

In a country with a gross national product exceeding $1-trillion, we are unable to take care of the basic health care needs of many citizens—especially blacks and other minorities. Priorities must be reordered so that a greater proportion of funds are allocated to meeting human needs and improving the quality of life rather than devoting huge amounts to developing weapons systems and increasing overkill abilities.

Yet, as it relates to the health crisis, the Nixon Administration pursues an active policy of health services retrenchment and cut backs of appropriated funds for health care.

More distressing is the President's failure to propose a health care plan which would minimally meet the health needs of all Americans. Instead, the Administration sends to Congress a program which amounts to nothing more than a billion dollar bonanza for private insurance companies—one which would add an extra eight percent of total health care transactions to insurance company coffers by 1974.

The Nixon response aims to assist the entrenched establishment of health care in America—the insurance companies, hospital bureaucracies and the private medical profession. It is just this establishment which confuses and impedes the development of a national program of health care for all citizens—and such a condition we can all afford to tolerate.

How great is the health crisis?

Among 20 industrial nations in 1967, the U.S. ranked 14th in infant mortality with 22 deaths per thousand.

Infant death rates are 80% higher for minority group members than for whites; 35.9 deaths for 1,000 live births for nonwhites as against 19.7 for whites.

The U.S. ranks 11th in maternal mortality, 22nd in life expectancy for men, and eighth in doctors per capita.

One quarter of all persons with family incomes under $3,000 have activity-limiting chronic conditions.

Persons in the poorest income categories are nearly four times more likely to have an activity-limiting condition as those in higher income ranks of $10,000 and over.

Those in high income classes are 3½ times more likely to have a routine physical examination and 4½ times more likely to visit a pediatrician or an obstetrician-gynecologist than persons in lower income groups.

Although most babies now are delivered in hospitals, as many as ⅓ to ½ of the women who deliver in public hospitals have had no prenatal care. For a poor woman, the cost of such care may be prohibitive and access to a clinic difficult.

The pervasiveness of the agony and torment generated by the health crisis can be seen in every major city in America. The reasons are readily apparent. Black physicians comprise only about 2.2% of the nation's doctors—a reflection of the history of discrimination which runs throughout the medical care field. And conditions in Mexican-American and Puerto Rican communities may be even worse; as many as 44% of nonwhites have no health insurance as compared with only 19% of all whites.

Faced with these distressing conditions, the Nixon Administration has taken an about-face in expanding government activities in the health sector. Prior to enactment of Medicare and Medicaid in the mid-1960's, the federal government confined its health activities primarily to regulation of drugs and medical devices and to construction of hospitals. Under the Johnson Administration came establishment of new and innovative programs for health. Laws authorized substantial amounts of funds for construction of mental health facilities, medical schools and public health schools. For the first time, federal money was allocated for regional medical programs for heart, cancer and stroke research. Programs were established for vaccinations against communicable diseases and to assist the mentally retarded.

Such programs as the Comprehensive Health Planning and Services Act of 1966 and the Health Manpower Act of 1968 all received overwhelming bipartisan support in Congress. Now, the Nixon Administration has made health care a subject of controversy. President Nixon has blocked major congressional initiatives. He vetoed:

The Hill-Burton Medical Facilities Construction and Modernization Amendments in 1969 after it unanimously passed the House.

A measure to increase the supply of family doctors, after it was approved by Congress with only two dissenting votes; Nixon waited until Congress adjourned for Christmas to utilize a pocket-veto and thus avoid an almost certain over-ride.

Appropriations for the Departments of Labor and Health, Education and Welfare totaling millions of dollars slated for health programs. Since the President has not sent Congress any meaningful proposal for national health care insurance and since he has backtracked on his support for health maintenance organizations, these vetoes are irresponsible.

On rank-and-file health programs authorized under the Public Health Service Act, the Nixon Administration either has no view or recommends against any extension. For example, during hearings on the "Emergency Health Personnel Act Amendments" last year, the Administration portrayed characteristic negativeness. A spokesman acknowledged there was a need to get doctors into scarcity areas and that this was a specific Nixon objective. However, the spokesman urged that the legislative authority to do so not be extended, pending review—a contradiction in positions at best.

Since Congress has not acted on any viable proposal to obtain better health for all citizens, the "buck" stops here. We must realize there are no easy answers and that no single program is going to work for all the people. There must be a continuing effort which no doubt will include national health insurance. Enormous costs of such a program necessitate a closer look at how services are delivered. And, because health problems are so interlaced with social and economic hardships, Congress must design a health care package which adequately meets the needs and aspirations of poor and minority groups. Finally, we must deal with the entrenched and highly

active health providers who oppose needed changes.

We can achieve better health care for all citizens. The President must reorder priorities to end the disgrace which exists in the health care field today.

MINORITY ECONOMIC DEVELOPMENT

(Congressman PARREN J. MITCHELL)

Historically, the struggle of Black Americans and other minorities for inclusion in the mainstream of American life has been preoccupied with obtaining and seeking enforcement of civil rights and other constitutional guarantees through vigorous affirmative action by the federal government. It was a preoccupation that I feel was necessary and vital for Black survival.

However, the tenor of our struggle in recent years has changed. Today, Black Americans and other minority groups are actively and vigorously seeking full participation in the economic process. The seventies have brought recognition of the fact that equal justice and civil rights are linked to economic security, and that political empowerment must be undergirded by economic empowerment.

As a result of this new dimension to our seemingly never-ending endeavors to achieve full participation in the American system, various inadequately funded government programs have sprang up purporting to address themselves to our economic plight. Despite this Administration's stated commitment to minority owned business as a first line effort to address Black needs, performance has fallen far short of the promise. While the Office of Minority Business Enterprise has moved from a powerless public relations office to achievement of some visible progress, the overall performance of the Administration has tended more toward rhetoric than reality.

In 1969, the Department of Commerce conducted a census of minority business which showed all too clearly where minority business stood in the American economic system. The minority Business Census Report revealed that approximately 322,000 minority business enterprises (representing only 4% of the total number of all enterprises), had total receipts of $10.6 billion, and accounted for a mere .7% of the receipts reported by all U.S. firms, even though minorities—Blacks, Indians, Eskimos, Puerto Ricans, Mexican-Americans, Cuban-Americans and others—constituted 20.89% of the total population, as of the 1970 census. At last, the extent to which minorities was excluded from the American marketplace was known. This report only bore out what many Black Americans and other minorities had suspected all along.

Supposedly in response to this situation, a March, 1969, Executive Order created the Office of Minority Business Enterprise (OMBE), to serve as the coordinator of all federal efforts to enhance minority enterprise. Although OMBE's credibility in the minority business community has risen considerably since the days of its beginning, there is an inadequate commitment of funds to underwrite vastly expanded loans from the private sector through OMBE.

As a result of this modicum of success, it appears that the Administration is going to put most of its minority enterprise emphasis in OMBE. But this position is looked upon cautiously by minority entrepreneurs and businessmen, and with good reason. Many minority businessmen, who generally are delighted with OMBE's new face-lift, express caution and concern about OMBE's future and indeed the entire government minority enterprise program.

Many Black business leaders see important gaps in OMBE's program still, and a "need for substantially more funds if OMBE is going to make a dent in the minority enterprise problem".

Moreover, technical assistance and training alone are not enough. Other facets of the total minority enterprise program seem less promising and less well supported than the OMBE program. For instance, although the Small Business Administration (SBA) has increased its loans, guarantees, and other forms of credit support from $107.1 million in FY 1969 to $297.5 million in FY 1972, of the total loans and grants made to all small businesses, the percentage going to minority businesses has actually declined over the past two fiscal years.

The Office of Economic Opportunity's Title I–D Special Impact Program (now Title VII under the most recent OEO legislation), which venture capital as well as technical assistance and support funds to Community Development Corporations, buttressing their efforts to lessen the impact of unemployment and underemployment in urban and rural poverty communities, have decreased grants from 31,241,000 in Fiscal Year 1970 to 24,000,000 in Fiscal Year 1972.

It is this kind of backsliding in minority programs that has caused many Black Americans to be apprehensive about the future of minority enterprise programs, for there is no indication that these declining allocations will be reversed nor will they be ploughed into OMBE programs to cover these slippages from other agencies.

By far the most highly touted program instituted early in the Nixon Administration was the Minority Enterprise Small Business Investment Companies Program. Established in November, 1969, the MESBIC Program was to specialize in providing loan-term venture capital to minority businesses. Since very little federal money is available for equity investment, the private-sector was looked upon to furnish the needed equity capital. The MESBIC concept was to be the vehicle to lure this private sector equity capital.

Despite high expectations voiced by then Secretary of Commerce Maurice Stans in 1969, MESBICS have been put on the back burner of the Administration's list of priorities. Three years after the program was launched, it is only half-way toward the goal of 100 investment companies set for July, 1970. The FY 1972 Progress Report on minority enterprise programs proudly points out that the 51 licensed MESBICS have a total private capitalization of $17.5 million. This, however, is a far cry from the 100 MESBICS with private capital of $225 million envisioned by the Nixon Administration.

Moreover, of the $36 million MESBICS are eligible to borrow from SEA for reinvestment, only $5 million has been actually received from SEA. The 1972 Fiscal Year Progress Report also beams with pride that 442 financings were made by MESBICS by the end of 1972, using $7.6 million of MESBIC capital to generate $35.9 million for the same portfolio companies in additional investments and SBA guaranteed bank loans. When viewed against the enormous capitalization disadvantaged businessmen need if they are to have more than a miscroscopic share of America's business, the MESBIC achievement is hardly impressive. Despite recent legislation to improve MESBIC operations, the program still suffers from lack of administrative support funds, too much emphasis on Mom and Pop store-type businesses and undercapitalization.

It has been stated over and over again that the real growth of minority enterprise will come only when the private sector is made to recognize that investing in minority business is good business. But the private sector has at best, put only a minimum amount of capital into minority businesses, at worst they have adhered to an attitude of diffidence toward minority enterprise.

Although Federal procurement has shown a substantial percentage increase in recent years, the total of $393.9 million for FY 1972 (inclusive of $151.6 million of 8(a) procurement) still represents less than .4 of 1% of all Federal procurement.

The Congressional Black Caucus was not impressed then, and it is not impressed now. It is true that increases have been made in Federal procurement but present levels are still only a drop in the bucket of this multi-billion dollar business.

In our original 61 recommendations to the President in March, 1971, we recommended that "in addition to increased federal support and employment of direct set-aside programs for all procurement, that he support the enactment of legislation requiring that contractors working on federally-assisted and financed projects set-aside a specified percentage of their subcontract work for minority firms."

Again we submit the above recommendation to the President as well as to the Congress, for the recalcitrance of major contractors has denied minorities access to their fair share of the government procurement market. By his own admission, Mr. Thomas Kleppe, Administrator of the Small Business Administration, stated that there is major resistance from middle management, in both government and the private sector, toward minorities obtaining a piece of the Federal procurement action in particular, and economic parity in general.

In addition to increased federal financial support, new and innovative programs and legislation are essential. For instance, one such piece of legislation was introduced in the Senate in the last session of Congress. This bill proposes to guarantee equity investments in minority businesses by private investors. This is the kind of legislation that should be seriously and actively discussed, analyzed, and pursued by both the Congress and the Administration.

We urge the President to continue to fund Community Development Corporations which, as part of OEO, are under administration attack. Despite inadequate funding, CDC's have contributed significantly in the creation of jobs, increased community income, and expanded minority ownership opportunities. Support should also be continued for the highly innovative and promising demonstration programs of the Opportunity Funding Corporation.

The Congressional Black Caucus also continues to urge the creation of a major federally-financed guarantee organization to insure securities and obligations of CDC's.

To seriously address the continuing problem of scarcity of risk capital for minority enterprise, an independent publicly-funded development bank should be organized with an initial appropriation of 1 billion dollars. This agency should be under the direction of a board with broadly representative minority membership.

As far back as 20 years ago, the federal government recognized the need to undergird U.S. corporate investments overseas. Over the last 20 years the State Department, and more recently, additional governmental mechanisms, have written some $7 billion of insurance and guaranteed loans totaling $160 million for major U.S. corporations.

Our minority business development effort, deserves and needs the same type of government consideration before the present downward trend can be corrected. The Congressional Black Caucus urge the President and our Congressional colleagues to meet the real needs in minority enterprise. We must provide the true resources needed to establish a development bank for minority enterprise.

Even were the President and Congress to implement every recommendation in this report immediately, it would not be enough to lift Black and other minority Americans to anything approximating economic equality during the life time of anyone now alive. For historically Black, Brown and Red Americans are the *only* Americans who have never

benefitted from preferential economic treatment by the federal government. Enslaved Blacks, embattled Indians and economically enshackled Chicanos were in poor position to capitalize on the Preemption and Homestead Acts, so that the vast majority of the 1.6 million families who acquired western homesteads were white Americans, many of them recent immigrants. Having been excluded as landholders, minority Americans were in poor position to benefit from the expansion of agricultural credit in the first third of this century. Even less were they in position to take advantage of what DuBois has described as "the widespread custom" during the Industrial Revolution of "public investment for private profit." When federal, state and local governments paid three-fifths of the cost of the railroads and handed them over to individuals and corporations, no Black man profited or gained a piece of ownership.

Thus it is no accident that Blacks are today among the most propertyless of all Americans, excluded from the mainstream of the American economy—not by their own indolence or lack of entrepreneurial instinct, but by the fact of slavery and its aftermath, which placed them on the sidelines when the great national giveaways were occurring. Only, then, by a massive program to bring large numbers of these propertyless people into the ownership class can America hope to convert them from opponents of the economic and political system which now excludes them to supporters of the system. This goal cannot be achieved cheaply. It cannot be achieved by awarding a few franchises, establishing a few hundred small businesses—or even creating a few Black millionaires. Achievement of this goal means that minority Americans must be given preferential access to investment capital, and preferential access to sheltered markets. Therefore, the Congressional Black Caucus calls once more on the President, the Congress and the nation to initiate a truly effective minority economic development program.

Crime and Narcotics Addiction

(By Congressman Charles B. Rangel)

President Nixon attempted to give the impression of significant progress in the drug and crime war by his May 1971 responses to the recommendations of the Congressional Black Caucus. But the claims of tremendous efforts in law enforcement, drug rehabilitation, and education do not begin to paint an accurate picture.

During the first four years of the Nixon Administration, we have seen the narcotics addict population in this nation double in size; we have watched the spread of heroin and other harmful drugs to our elementary school children; we have seen the flow of illegal heroin into this nation jump from under 5 tons to around 10 tons; and we have experienced an increase of 60 percent in the number of violent crimes committed.

In the area of drug abuse and crime prevention, despite any claims to the contrary, the real state of the union after four years of the Nixon Administration is a sorry one at best.

During the last year of the Johnson Administration, 4,500,000 serious crimes were reported. In 1971, after three years of the Nixon Administration, 6 million serious crimes were reported; and this was to have been a "law and order" administration.

In two of the communities I represent, the Harlem and East Harlem sections of New York City, the ever-present crime is inextricably bound to the plague of drug addiction. As in communities across this nation, between 50 and 70 percent of crime in these two communities is drug related.

In fact, the problems of these communities are but a small sample of the picture across the country. A recent Gallup poll of urban residents showed crime in the streets identified as the most important problem facing America today. One in three of these persons had been a victim of crimes against person or property, with one in five among all Americans being personally victimized.

An examination of the Harlem section of New York does present, however, some clear evidence of what the future holds and what the present is like for other areas.

According to an extensive survey of the Harlem community by the Small Business Chamber of Commerce of New York, 51.2 percent of those interviewed said they had been victims of criminal assault during 1970. Sixty-nine percent of those interviewed blamed the narcotics addict for the recent increase of crime in Harlem.

In a study conducted by the New York State Narcotic Addiction Control Commission, 11,762 of the 52,479 narcotic arrests in New York City for 1971, or one in four cases, occurred in Harlem.

Even more alarming than the stark statistics on drug addiction and crime is the effect of these forces on my District and the rest of the nation. The Fleischmann Commission study of New York's schools and the roving hearings held by the House Select Committee on Crime found evidence that between 40 and 50 percent of this nation's high school students have used or are using some form of mind-altering drug.

Reports from Miami to Seattle tell of 8-year-olds beginning to experiment with drugs and cases of heroin addicts who are this young are not uncommon in areas of high addiction concentration.

The National Institute of Mental Health reported that in 1971, for example, there were 18,000 addicts living in a 40-block area in Central Harlem. Of these, approximately 6,000 were between 16 and 21 years of age, and 2,000 were between 7 and 15 years old. There are an estimated 40,000 addicts in all of Harlem, about one in every 6 people.

Drug education a failure

In the face of these kinds of staggering problems, the Nixon Administration launched a "drug education by horrification" program which, by the Government's own evaluation, is doing more harm than good. Particularly in the area of drug films, the Administration's use of overly simplistic approaches bolstered with twisted or inaccurate misinformation has succeeded mainly in convincing some formerly uninterested youths to try drugs out of curiosity.

I am sure the nation's pushers are extremely pleased with the state of the union when the Federal Government helps them sell their deadly goods.

U.S. aids Asian heroin trade

While this stream of daily death pours into every corner of our society, this Administration has seen fit to subsidize, with tax dollars, the Air America Company. This company, according to Congressional studies, aids in the transport of heroin from Southeast Asian poppy fields to nearby refineries. "Air Heroin", as Air America is sometimes called, travels its routes of death and destruction under the supervision of the corrupt generals and government officials in the totalitarian dictatorship of the Thieu regime in South Vietnam. This is happening at the same time the Administration has seen fit to refuse to provide money for adequate cemeteries to bury the thousands of Americans who died so that "democracy" might flourish in Vietnam.

Organized crime and corruption flourish

This is the real state of the union. In addition, only this year have the nation's criminal investigation agencies taken their heads out from under the nineteenth century to see the corrupting, cancerous criminal influence exerted by the Mafia and its followers.

The Knapp Commission report and other studies tell us that the New York City and other police departments are riddled with the kind of corruption that only the organized forces of international crime can generate. But this Administration's so-called Department of Justice spends its time filing suits to block the court and Congressionally-ordered integration of the nation's schools. This too, is the real state of the union.

Anti-addiction effort not included in announced "war on crime"

The inevitable link between heroin addiction and the criminal justice system necessitates an increased commitment of Federal funds to permit the criminal justice system to respond to the special problems presented by narcotics addiction. In his response to the recommendations of the Congressional Black Caucus in 1971, President Nixon stated that the Law Enforcement Assistance Administration was providing the impetus for the development of new and effective programs to reduce crime. The record of the nineteen months which have passed since this Presidential response shows clearly that LEAA has not addressed the problem of drug-related crime.

While LEAA funds have been invested in bigger and better armaments, including police toys, such as tanks and armored helicopters, the severe problems of revolving door justice for narcotics addicts have gone largely untouched by LEAA. Narcotics addicts typically are arrested, let loose on bail and often are re-arrested before trial on the first offense because of their continued need to steal to support their habit. Even if the addict is tried and convicted, as soon as he is released he will be back on the street stealing to support his habit if nothing is done to treat his addiction while in jail. Unless the criminal justice system intervenes to provide treatment and rehabilitation of the narcotics addiction at some point in this cycle, nothing is being done to help the addict or to protect society from his criminal activity.

Treatment method inadequate

The implications for Black and poor communities go far beyond the problems of crime and fear of criminal activity by narcotic addicts. The willingness of this Administration to pour the heroin substitute methadone into these communities without providing counseling, job training or placement assistance threatens to permanently narcotize a significant portion of the young and poor.

Despite the Administration's mouthings that drug abuse treatment and prevention is one of its "top priorities", there is scanty evidence of an appropriate effort.

How many addicts are presently under treatment? Although it is difficult to obtain reliable information in this area, the Special Action Office for Drug Abuse Prevention estimates that at the end of October 1972 there were approximately 60,000 narcotics addicts in treatment and rehabilitation programs in the United States, with another 30,000 addicts desiring treatment but remaining on waiting lists because existing programs are filled to capacity.

It is estimated by most narcotics treatment experts that half the nation's 560,000 addicts would voluntarily seek treatment if treatment were available. Thus, although actual waiting lists may contain only 30,000 names, there are an estimated 190,000 addicts who would like to obtain treatment for their addiction but are unable to do so.

That such a large number of sick people remain untreated in a society which has more than enough resources to provide adequately for their medical needs would be a national scandal if these 190,000 addicts were untreated tuberculosis patients.

Our failure to provide adequate treatment opportunities for 90 percent of the addict population is proof of our failure to adequately address the drug abuse problem as a whole.

The Federal Government bears ultimate responsibility for every ounce of heroin that

enters the lifeblood of our society. The opium poppy cannot be grown in commercial quantity in the United States; it therefore must be imported through our borders, whose integrity is the responsibility of the Federal Government. So long as the Federal Government is unwilling to prevent the smuggling of heroin into the United States, it has the moral responsibility to alleviate the consequences of its failure by providing for the care of those who have become addicted to heroin.

ADMINISTRATION COMMITMENT LACKING

The Administration's fiscal 1973 budget was a disappointment to those of us who expected tangible evidence of substantial effort to meet the national emergency of widespread drug addiction, as declared by the President's June 17, 1971 message to the Congress on the drug problem. This message gave hope of a substantial new effort against drug abuse—it called for new approaches to the rehabilitation of narcotic addicts, and more coordinated Federal responsibility for the drug problem and spoke of new initiatives by law enforcement agencies against drug pushers and smugglers.

The Administration's fiscal 1973 budget, however, failed to provide adequate funding for the commitment announced by the President. Although the budget for drug abuse programs totaled $365.2 billion, a substantial increase over previous years, an examination of this increase showed that most of the additional funding was scheduled for programs designed to meet the problem of drug abuse in the military.

For example, of the $230.2 million budgeted for the treatment and rehabilitation of narcotic addicts in fiscal 1973, $84.2 million was allocated to the Department of Defense and the Veterans Administration, leaving but $146 million for the treatment and rehabilitation of civilian narcotic addicts. This $146 million represented only $21 million more than was allocated for nonmilitary treatment and rehabilitation programs in the fiscal 1972 budget and fell far short of the amount allocated by New York State alone for treatment and rehabilitation, which budgeted $161.5 million for drug abuse treatment programs during its 1971–72 fiscal year.

Thus the massive new Federal treatment an rehabilitation effort described by the Administration in the summer of 1971 withered in implementation to a program that is not even as large as that conducted by a single state, the State of New York.

As great as is the need to provide treatment and rehabilitation services for the returning addicted Vietnam veterans, the Federal Government cannot pretend to be waging a war against drug addiction if its increased spending for the treatment and rehabilitation of narcotic addicts is limited to the addicted veteran and provides no significant increases for programs for the treatment and rehabilitation of the large and growing civilian addict population.

There needs to be an immediate commitment by the Federal Government to provide treatment and rehabilitation to every narcotics addict in the country who desires it. beyond this there is the need to provide supportive services such as psychological counseling, education, and job training for rehabilitated addicts so that they may assume roles as productive members of society.

STEPS FOR CHANGE

The critical steps to bringing this about are:

1. The immediate enforcement of the Foreign Assistance Act provision I authored which provides that aid funds should be cut off when a country does not make every effort to stop the export of illegal drugs to the United States.

2. An immediate end to all methadone addiction control programs that do not offer supportive services, or the addition of these services to the programs. Also, the prohibition of heroin maintenance.

3. An all-out Federal crash program to find an effective non-addictive heroin antagonist.

4. The initiation of a Federal attack on organized crime at the highest level. The damage from this source is far greater than that from seasonal campus radicals or so-called ghetto revolutionaries. The F.B.I. and other agencies should put their efforts where the danger really exists.

5. At least a three-fold increase in the capacity of addiction treatment programs, remedial education, job training, placement and counseling services to meet the needs of our low income communities and the nation generally.

6. A revision of Law Enforcement Assistance Administration guidelines to mandate development of programs to combat drug-related crime.

7. Strict enforcement of drug laws at every level, with an emphasis on suppliers and major pushers.

8. A major tightening of our borders to prevent the heavy influx of illegal drugs.

9. An all-out Federal effort to clean up state and local law enforcement agencies where Federal laws are violated. I firmly believe the sagging confidence in our criminal justice system can be restored if we determine to root out corruption.

10. An immediate reform of drug education programs and drug treatment and rehabilitation programs to include greater input from members of affected communities and ex-addicts.

If this Administration can somehow be shown in the next four years that this nation will not survive under its present policies, these steps can be implemented before the cancers of crime and drug addiction destroy us.

ECONOMY

(Congressman ANDREW YOUNG)

Nixon Administration economic policies have been disastrous for low income and poor citizens—especially when we analyze the suffering caused by the inequities of policies which have led to controls on wages, to soaring prices and to soaring profits.

Those persons fortunate enough to have jobs as wage earners are the main victims of Nixon's "New Economic Programs." At the low end, wages have been held in check, but prices have not been stabilized. While workers have produced more goods and services—raising gross national product by $100-billion in 1972 alone—the bulk of this increase shows up in record profit levels which rose 12% in less than a year. The prospect for 1973 looks to be the same.

Blacks, poor people and blue collar workers will see a lot more of the same from recently inaugurated administration, because, already they have been told by their President to "ask not what the government can do for you, but ask what you (poor people) can do for yourself."

We ask: What can the poor and blue collar worker do for themselves when for nearly 18 months a cruel, callous and repressive economic squeeze has been so tightly clamped about their life lines? Or, is Nixon really saying: "You take care of yourselves and I will take care of the rich and established."

The poor and working classes will not be able "to do for themselves" because:

Their jobs are the ones most affected by Nixon policies. Unemployment in the inner city—where the nation's poor generally live—has soared to post-war highs at least double the national average.

They pay an inordinate amount of their income for the basics, shelter, food and utilities. Under the Nixon policies, food prices have risen at the most rapid rate in a decade, inadequate controls on rents have made the poor an immediate prey of exploitative landlords, and utility rates have skyrocketed.

There have been no attempt to control insurance premiums, interest rates, mortgage rates, land prices, costs of homes, clothing, used cars, and furniture—key items purchased by low wage earners, welfare recipients, senior citizens and the poor.

They have no advocates within the Administration or on the agencies created to administer the overall economic policies.

And so, the law wage earner, the poor and aged have felt a rising assault by the privileged classes who are continually exempted and favored by the Nixon economic programs.

Nixon policies literally spi; on the poor and working class, stifle and thwart organized labor and other organizing groups, and block drives for consumer action programs and other areas which daily affect the lives of millions of American citizens.

A first policy for this Congress must be to make sure that wage and price restrictions are equally applied. Working people will support a stabilization program—if it covers profits, investment earnings, interest rates, fringe benefits, as well as prices and wages.

But, the overall goal must be to return the economy to a system which generates growth and production instead of death and destruction. In such an economy we will be able to achieve maximum employment and production—along with stable prices—and we will not need any artificial controls.

We urge that the collection and utilization of federal revenues be reformed, beginning with an entirely new system of equitable taxation and expenditures of taxes collected from the people and as allocated by the Congress.

If Phase III of the Nixon game is to mean anything to the average American family, there must be strenuous attempts to equitably regulate prices, interest rates and profits. Compensatory individual tax allowances of substance will certainly be encouragement enough for the individual to do something for himself and his country. But, if Phase III turns out as did Phase I and II, then there are catastrophic days ahead, and the greatest burdens will once again be placed upon the poor, working poor and blue collar citizen.

Since President Nixon has consistently shown his economic interests are not with the poor and working American, it becomes the responsibility of Congress to provide the aggressive leadership in rebuilding an economy of peace and justice.

RACISM IN THE MILITARY

(Congressman RONALD V. DELLUMS)

The history of racism within the military dates back as far as there have been minority members of the armed forces. Yet, it was only 23 years ago—in 1948—that President Truman officially abolished segregation in the military. It took another fifteen years—until 1963—for the Defense Department to issue an initial directive opposing racial discrimination and calling for equal opportunity programs for minority servicemen and their families. Three years ago, Secretary Laird issued yet another directive condemning discrimination. Only after that directive did the military services move to implement programs and directives of their own dealing with internal racism.

Following the 1971 Congressional Black Caucus meeting with President Nixon, the Defense Department responded by setting up the Task Force on the Administration of Military Justice in the Armed Services and by promoting four blacks to the rank of General. However, we cannot accept these actions as anything but minimal first steps.

Certainly they have no real impact on the day-to-day practices which affect each minority serviceman; the arbitrary decisions, unfairness and blatant administrative and judicial practices which render stated policy

meaningless. Complaints received daily in Congressional Black Caucus offices from minority servicemen indicate that existing Defense Department policies are negated continually by lower grade commanding officers and NCO's.

The very existence of these directives has led many minority servicemen to expect equal participation in every level of the military. This has not been the case. For example, although the total proportion of officers to enlisted men has risen significantly over the past three years, minority officers are still drastically under-represented; out of a total enlisted strength of 1.6 million, blacks now comprise 249 thousand or over 13%; but only 7900 men or 2.3% are officers. And minority servicemen continue to receive the least desirable job classifications and opportunities for advancement.

For black servicemen, justice in the military is usually a travesty.

Minority servicemen receive a vastly disproportionate percentage of Article 15 punishments, of pre-trial confinements, and of less than honorable discharges; thus making it more difficult for black servicemen to obtain jobs and training on return to civilian life. According to the Pentagon's own recent Task Force on the Administration of Military Justice, ". . . Black servicemen receive Article 15 punishment in greater numbers than their proportionate number within the armed services." Over one-fifth of those men in pretrial confinement were black—with the average length of such confinement 34 days, over five days longer than the average confinement of whites. With only 1% of the military attorneys available to defend them being blacks civilian groups have been forced to organize to see that the minority servicemen receive the counseling and legal help they require.

In November 1971, the Congressional Black Caucus held specific hearings on racism in the military. These hearings brought out that racism has become institutionalized at all levels of the military. We saw that this racism takes many of the same forms as in civilian life; slow advancement; over-literal interpretations of the regulations' punishment disproportionately borne by the minority; the difficulty or even impossibility of obtaining fringe benefits; subtle and not-so subtle harassments and many others. This situation is worse in the military since civil rights are so difficult to protest in this closed society and there is so little publicity of the violations.

What we in the Caucus heard about—and warned both the Congress and the Pentagon about—in 1971 exploded last year. Minority servicemen clearly indicated they would no longer passively accept the racism which confronted them in the military. They were well aware of the directives which had been issued; they expected that commanding officers would heed these directives; time after time they brought these problems to the attention of their superiors. And yet, after investigations were completed, the replies they received were invariably similar: "You are *not* being discriminated against," they were told.

Whenever violence occurs, the reaction of the military has been to focus attention on acts of violence and not on circumstances which produced this response. The minority serviceman found himself punished for his reactions to racism—while no attention was given to the causes of his discontent.

Yet, the unique feature of the military which offers the hope of real change is its authorization reward-punishment mechanism which conditions the survival and the chances for advancement of members of the military. The Black Caucus accepts these black servicemen as their constituents and insists that compliance with equal opportunity policies become an effective part of the reward-punishment system, even to the extent of making racial discrimination punishable by court martial.

The Congressional Black Caucus believes that racism in the military must be eliminated—not only because of its debilitating effect on racial minorities, but also because racism in the military poses a serious threat to our national security. Certainly this nation cannot be secure as long as the armed forces are more concerned with protecting themselves against their fellow servicemen than with fighting any external enemy. The increasing polarization of blacks and whites in our armed forces is rapidly approaching the point where the overall effectiveness of the military as a fighting force will be seriously hampered, if not completely stalemated, by its inability to eliminate this internal racial strife. Therefore, it is obvious that drastic and far-reaching changes must be initiated immediately to insure that racism and discrimination toward all minority groups in the military is finally eliminated.

Realizing that we can depend less and less on an insensitive administration for solutions to these very serious problems, the Caucus recommends that legislation be enacted by Congress in the following areas:

Promotion of the Deputy Assistant Secretary of Defense for Equal Employment to Assistant Secretary of Defense for Equal Employment, so that he will be able to report directly to the Secretary of Defense.

Amending the UCMJ (Uniform Code of Military Justice) to make racial discrimination a court martial offense.

Amending the UCMJ to remove all civilian crimes and offenses from military control and returning them to the civilian courts.

Allow non-military personnel to be represented on court-martial boards and have selection-at-random from the entire base population.

Establish more explicit conditions which would allow for release of those held in pretrial confinement.

Guarantee that persons charged under Article 15 would have the right to confer with legal counsel before accepting or rejecting the article.

Elimination of all punitive discharges and establishment of certificates of service.

Foreign Policy

(Congressman Ronald V. Dellums)

In 1969 and again in 1973, President Nixon talked about a "generation of peace" and a new era in our relations with the other countries of the world. To achieve these goals would require a complete re-orientation across the entire range of American foreign policy. Yet, not only has the Nixon Administration failed to begin this massive effort, but it has intensified reliance on power politics and the brutal use of force to achieve ends.

A real "generation of peace" cannot begin until America realizes the heritage of unfairness and oppression found in the history of its foreign policy. Ever since America became a world power, foreign policy has been based on callous disregard of the rights and aspirations—many times even the lives—of non-Western peoples. Just as America's nonwhite minorities have refused any longer to accept an inferior status within America, we refuse to accept a foreign policy based on the implicit inequality between whites and the Third World.

Nowhere is this underlying racism more clear than in Southeast Asia, and in the ability of President Nixon to continue for so long acts of senseless destruction and devastation without either effective protest or control at any time by Congress. We do not believe any President would have been allowed to perpetrate this insane policy against any white nation. We do not believe that any number of POW's would justify a policy of terror directed against an entire nation—if that nation were European. We do not believe the costs of the war would have been tolerated if the Administration were not adept at shifting them to the backs of black and poor people.

Every one of us is aware of the President's failure to make good his promise of a speedy withdrawal from Indochina. Yet the full dimensions of the costs of the war have been difficult to grasp. The plain fact of the matter is that our adventurism in Southeast Asia still continues to cripple the efforts of black and poor Americans to bring about desperately needed reforms in the community and the nation. The President has felt compelled to cut deeply, not only into reform efforts, but also into basic domestic services. Even as this War ends, misdirection of financial resources will cost us dearly now and in years to come.

No matter what we are told by Administration and Pentagon spokesmen about alleged dwindling defense budgets and economic problems that stem from whatever minimal cutbacks in domestic military spending have occurred, in reality this country still allocates $10 to $20 billion too much each year for defense. By making military decisions primary and domestic decisions only secondary, this Administration shows a basic misunderstanding of the real sources of American strength.

Material costs of the War have been high, but spiritual costs have been even higher, for we have been asked to exchange the true pride that comes from the commitment to our national ideals on equality and self-determination for the false pride based on belligerence and abuse of power.

The government began this undeclared war not in reaction to any real threat to the nation but on the basis of a foreign-policy calculation that the United States could contain the Russian and Chinese superpowers through the small country of Vietnam. Now the Nixon Administration tries to reach over the heads of the Vietnamese and settle the war on the basis of an understanding between the Great Powers. This kind of diplomacy may bring peace to the United States, but let no one imagine it has brought peace to Vietnam, that it has succeeded in leaving Vietnam anything but a legacy of continuing violence. The Vietnamese will not be at peace until a stable solution is found by the Vietnamese themselves, not by any outsiders, whether they be Russian, Chinese, or American.

Even more disheartening, Nixon's entire foreign policy seems based on the ease with which the U.S. takes more from the Third World than it ever intends to give back. Economic aid and trade investment policies build up economic structures useful only to this nation's establishment and not to the host population. America's power over markets is used to monopolize raw materials without paying a truly fair price. Although many people are under the impression that U.S. foreign aid is helping to equalize world income, the truth is that the gap between the rich nations and the poor nations continues to increase. The rate of economic growth of the poor countries is in a losing race with the rate of population increase, while America's swollen economy takes more and more of the raw materials and energy sources needed to attain our standards of living. No one can expect this situation to continue without bringing about confrontation on a global scale. There is no evidence that the present Administration has any realization of the magnitude of this crisis.

The Nixon Administration still ties national prestige and power to dictatorial regimes that have to rely on American support to maintain themselves against their own people. Nowhere was this more true than in the shocking tragedy of Bangladesh where power politics took precedence over human decency. As in the case of Chile, the

Administration still shows blind hostility to any government—no matter how democratic or nationalist—that threatens any U.S. business interest. Black Caucus members have introduced legislation to end our military aid to the Brazilian generals, to maintain economic sanctions against the Rhodesian minority government, to end U.S. involvement in the South African forced-labor economy, and to re-orient foreign aid efforts with a massive increase in truly helpful economic aid. But these efforts met with little success.

The Black Caucus hopes that the truce signings really mean a final end to the insanity of using America's wealth to make life miserable for people who never did us any harm. We hope that pressures for continuation of hostilities are successfully withstood.

But we also intend to do much more than hope. We call on Congress to assert the responsibility it has evaded so long. Congress must ensure that "withdrawal" signifies more than an empty phrase—and that the Pentagon and its friends understand it. Congress must no longer allow secret wars to be fought anywhere. And if Nixon characteristically tries to reverse course, Congress must refuse all funds for any further terror diplomacy.

The State of this Union will continue sick and distrustful, unready for the challenges that lay ahead until the blight of the War and all it represents is finally lifted from the country and from the black and poor communities. It is time to begin; to face our responsibilities to the erst of the world; to cease killing and maiming and to start working towards solutions to our common problems.

EDUCATION

(Congressman WILLIAM L. CLAY)

Education in America has suffered many setbacks during the first four years of the Nixon administration, with the years ahead looking leaner still as the budget trimmers recklessly perform their "fat trimming" operations, cutting into the very fiber of our educational system, and threatening the goal of quality education for all our citizens.

In October 1968, candidate Nixon promised: "When we talk about cutting the expense of government—either federal, state or local—the one area we can't shortchange is education". This was indeed a laudable and promising beginning. How unfortunate then that these words were not given meaning through Presidential actions in the first term of the Nixon administration, how incredible that these sentiments should now be labeled, "the sacred cow" of Congress.

In March of 1971, the Congressional Black Caucus presented the President with a list of recommendations for action in the area of education. We began by recommending the initiation of a program of comprehensive child development services to be provided as a right to every American child. This was a commitment which the President himself had publicly articulated in 1969, but which he emphatically reversed by vetoing the OEO and Child Care Amendments in December 1971.

We called for the strengthening of Title I of the Elementary and Secondary Education Act, urging the full and advanced funding of this Act, and stating our opposition to the proposed system of block grants to supplant Title I and various other categorical programs. The administration's response has been one of all-out support for educational revenue sharing, a proposal which threatens to dilute the funds presently going to Title I, and diffuse the impact of compensatory education by subjecting such programs to the machinations of state and local politics.

Recognizing the extensive power of the Office of the President, we called upon Mr. Nixon to exert national leadership to meet the Constitutional commitment of equal opportunity for all men. The response of his rhetoric has been sorely contradicted by the clear expression of his actions supporting two major legislative assaults on these rights, through the successful inclusion of a busing moratorium in the Higher Education Amendments of 1972 and the prohibitions of busing fundamental to the Equal Educational Opportunity Act.

Finally, we recommended an increase in Federal aid to higher education in the form of increased student assistance and aid to black colleges and universities. Congressional passage of the Higher Education Amendments implemented several of our suggestions for helping students finance their educations, but the President's present spending level and new budget for these Amendments substantially obstructs their full implemention.

Since coming to office in 1969, this administration has vetoed six major pieces of legislation in the area of education alone, including four bills to provide badly needed funds for the current school year.

The President vetoed the 1971 Child Development bill; fought passage of the Drug Education Act to help schools teach children the dangers of drug abuse; and opposed passage of the Environmental Education Act to support school ecology programs.

Even when the President has not vetoed vital education measures, he has often refused to spend the amounts of money appropriated by Congress. Examples of these lower spending levels include: zero spending for Title III of the National Defense Education Act, this despite Congressional appropriations of $50 million for the acquisition of education equipment; nor are funds being spent for Title 5C of the Elementary and Secondary Education Act which provides aid to State departments of education for planning and evaluation; nor for the Career Education Program.

Most prominent among these programs is Title I of the Elementary and Secondary Education Act, which has long been an object of Presidential scorn, and which has never been fully funded to the $7 or $8 billion level authorized. Even the present spending level of $1.5 billion was achieved only through strong and persistent Congressional pressure. Congress last year added about $200 million in Title I funds, which are presently embargoed due to the President's veto of the Labor-HEW Appropriations.

Federal expenditures for Title I have actually been shrinking relative to the total budget and the impact of inflation. Since 1965, Title I appropriations have increased by some $638 million, but the percentage of Title I funds in the total budget has dropped from 0.7 to 0.6 percent. When this is added to a cumulative rate of inflation of nearly 20 percent, the decline of effort becomes quite considerable and most disconcerting in light of the fact that only about ⅓ of the eligible children are presently being reached.

The President's proposed education revenue sharing would further dilute the impact of Title I by combining Title I funds with emergency school aid funds, with little likelihood of significant increase in funds for either, and the potential threat that existing funds may be diverted, or functional programs terminated.

Over the past few years, there has been considerable controversy over the effectiveness of compensatory education. We must closely examine the real facts concerning the operation and intensity of focus of existing compensatory education programs. In so doing, we will probably find that funds and resources are being diffused to such an extent as to make their impact negligible. Let us look at the record of the Kansas City and Philadelphia public school programs where ghetto kindergarten students are successfully learning to read, a skill their more affluent white counterparts will not be formally taught until the first grade. This suggests that the cycle of failure for ghetto children can probably be terminated at the source if resources and efforts are concentrated on the real problem.

In 1972, Congress enacted an administration proposal amending the Higher Education Act to prohibit the implementation of court orders calling for the busing of school children, pending the exhaustion of judicial appeals. Several months later, the House enacted an administration measure which sought to provide equal educational opportunity by prohibiting busing beyond the next closest school and permitting the re-opening of prior court desegregation orders. Fortunately, the vigilance of the Senate prevented its enactment into law.

These measures represent a complete retreat from responsibility, and a tragic failure of moral and political leadership. They claim to advance the cause of equal education, while blatantly denying these opportunities to millions of poor and minority children. They propose to consign untold numbers to separate and unequal educations, with little regard for the tragic social and educational consequences.

The issue of busing has nothing to do with the fundamental quality of education—rather, it has long been recognized as the most immediately feasible tool to provide children access to the best available educational opportunities. We must continue to utilize it, while seeking out more satisfying and permanent solutions.

If this administration and the nation are truly concerned about equal education, they will move beyond the sham of busing to the more fundamental issue of the financing of education. Recent court decisions in this area have established that a basic inequity exists in the present reliance upon property tax for the financing of education. Moreover, the use of local property taxes to finance schools violates the 14th Amendment by making educational opportunity a function of local wealth.

If we are to guarantee equal education, we must implement the recommendations of the President's Commission on School Finance that "each state assume responsibility for raising and allocating educational resources", and for increasing the present 7 percent federal share of total educational expenditures, so as to more nearly equalize resources among the states.

A final area of concern must be the financing of higher education. In 1971, the Caucus called for a 70 percent increase in Federal aid to higher education in the form of increased student assistance and aid to black colleges and universities. While Congressional passage of the 1972 Higher Education Amendments implemented several of our suggestions, the financial crisis being faced in higher education is increasingly acute, particularly for black institutions and black college students.

Approximately 85 black institutions of higher education provide 80 percent of the total black graduates annually. Black institutions are also principal educators of the poor, educating some 17 percent of the college enrollment from low-income families. A full ⅔ of the graduates from black institutions come from families with an income of $5200 or less—a remarkable achievement in light of a national figure of less than 10 percent of the population from that income level ever receiving a college degree.

In 1970, federal funding to these institutions totalled $125 million, or 3.4 percent of the total federal budget for higher education. A full 45 percent of this aid goes into student financial aid, as opposed to the average of 21 percent in other institutions.

Most of the federal aid received by these institutions is from the basic education pro-

grams of HEW. Black institutions receive only 0.3 percent of all the funds allocated for research and development—a fact which severely limits the growth of these institution's and their students in the critical areas of physical sciences and medical and nuclear research.

If these institutions are to continue to provide the training and education necessary for poor and minority students to take an active role in the society, the sources of revenues available to them must be greatly expanded. The federal effort both in terms of direct aid to institutions, and more importantly, in the providing of financial aid to students, must be substantially increased.

At every level the American educational system is being challenged to provide quality educational opportunities for all our citizens. The President's record, and recent budget statement, however, give little hope for an increasing federal role to meet this challenge.

The Members of Congress must, therefore, assume the responsibility and exert the necessary leadership to fulfill this commitment. We, the members of the Congressional Black Caucus, reaffirm our support for legislative action to provide comprehensive child development services, as a right to all American children.

We deplore the decrease in effort for Title I which has occurred under this administration, and again call for the full and advanced funding of this program.

We call for the re-instatement of vital sources of financial aid to students available under the direct loan and educational opportunity grant programs, programs which Congress deliberately maintained in the Higher Education Amendments of 1972.

Finally, we urge Mr. Nixon, to recall his 1968 commitment, and call upon him to fulfill that promise not to shortchange America in the field of education.

THE CRIMINAL JUSTICE SYSTEM

(Congressman JOHN CONYERS, Jr.)

America's criminal justice system is a source of anything but justice, and is in itself "criminal" in nature given the manner in which it victimizes both the public at large and the luckless thousands whom it apprehends, tries in its courts, and condemns to schools of crime and recidivism. In its most direct contact with crime—prevention, detection, apprehension, conviction, and correction—the system of criminal justice fails miserably to do anything about its reduction.

If it is to succeed, the criminal justice system must be viewed as a process, all components of which must unfold toward the same goal, namely, the prevention and control of crime and the rehabilitation of offenders. To succeed, this system must flow humanely, efficiently, and with justice from police to prosecutor to judge to jailer. The success of each function depends upon the effectiveness of all. The failure of any one component insures the failure of the entire system. Yet, as it exists today, the criminal justice system has broken down at every conceivable stage.

An overwhelmingly disproportionate number of victims of the criminal justice system spring from the black, poor, exploited, and alienated sectors of American society. Despite the capture of the crime issue through "law and order" rhetoric, black men and women fall victim to crime and are subject to arrest entirely out of proportion to their numbers in the general population. 27% of all individuals arrested nationwide are black, even though blacks comprise only 11% of the total population. Selective enforcement of the law has become the rule of the day. It has been estimated that the total cost to the American public resulting from corporation price-fixing alone is at least equal to all costs resulting from crimes against property. Yet blacks are arrested and subjected to police brutality out of proportion to their numbers, while white collar crime and "crime in the suites" continue to be politely tolerated by law enforcement officials. More blacks than whites have been executed in the United States, and this does not include lynching, so-called self-defense, or police killings.

Two-thirds of the arrests take place among about 2% of the population. And where does that 2% reside in every city? It is in the same place where infant mortality is four times greater than in the city as a whole; where the death rate is 25% higher; where life expectancy is 10 years shorter; where common communicable diseases with the potential of physical and mental damage are six and eight times more frequent; where education is the poorest; where alcoholism and drug addiction are prevalent to a degree far transcending that of the rest of the city; where, in short, dehumanization, alienation, and exploitation hold the lives of the poor in a relentless grip.

The failure of the Nixon Administration to deal in any substantive way with criminal justice reform can best be seen in the virtual non-performance of the heavily-funded Law Enforcement Assistance Administration (LEAA). On March 25, 1971, the Congressional Black Caucus met with President Nixon and included in its sixty specific recommendations for governmental action several concisely worded criticisms of the LEAA performance. The President's reply to those criticisms was, for the most part, totally inadequate:

LEAA continues to devote a disproportionate percentage of its funds to the exorbitant purchase of weapons and hardware for local law enforcement agencies, a policy which totally defies any rational approach to the long-range reduction of crime and injustice by the federal government. For the President to reply that "LEAA has fostered the broadest program of criminal justice reforms and improvements in the Natiton's history" is grossly misleading, since LEAA is, in fact, the *ONLY* "comprehensive" crime control program. The President's reply says nothing regarding the *quality* of that program, referring only quantitatively to the millions of LEAA dollars spent in various ways.

The LEAA Block Grant Program remains essentially a fiscal relief program devoted to beefing up criminal justice system components as they presently exist, and doing precious little in an innovative vein. In FY 1971, 42% of all LEAA block funds went for police, primarily police equipment, reflecting a distorted vision of which component of the system is in most dire need of funds at this time. The only innovation that ever takes place occurs when an occasional isolated local official decides to use LEAA money to effect criminal justice reform. LEAA itself has failed to provide leadership to the states for criminal justice reform.

Although LEAA now does require some degree of Title VI compliance with regard to grantees, Title VI enforcement remains, on the whole, totally inadequate. For example, LEAA has never considered the degree to which saturation policing grants and other programs which result from its funding lead to discriminatory practices.

Meanwhile, to this day, virtually no internal research, planning, or evaluation of LEAA programs are conducted by LEAA itself. According to the National Council on Crime and Delinquency (NCCD), whereas less than 1% of LEAA funds are now devoted to evaluation, no less than 12% of funds provided by LEAA for each program should be devoted to this purpose. LEAA has no idea what the specific impact of its block or discretionary grants has been, and with few exceptions no states carry out substantive evaluation of expenditures of LEAA funds.

The President's reply to our demand that LEAA insure adequate minority and community representation on planning agencies at all levels was also grossly inadequate. A content analysis of 35 of the 55 State Planning Agencies and their respective review commissions conducted in 1971 shows that private citizen representation on such agencies remained at only 14%, and was, where it existed, totally unrepresentative of the public at large. This figure compared with 20% police representation, 16.8% elected government official representation and 10% prosecutor representation.

Increased accountability and evaluation of all LEAA programs must occur immediately. The failure of LEAA to address the true nature and underlying causes of crime can no longer be tolerated by the American public.

The Administration has done nothing to dispel our concern that although the "no-knock" and "preventive detention" provisions of the D.C. Court Reform and Criminal Procedure Act of 1970 clearly impinge on the constitutional rights of suspects and defendants, it continues to be advertised by this Administration as a model for the Nation. Other laws with similar constitutionally odious provisions are the Organized Crime Control Act of 1970 and the Comprehensive Drug Abuse Prevention and Control Act of 1970. None of these Acts ought to be advertised as models and we strongly urge that the Administration support legislation to repeal such sections of those Acts as inimical to the interests of a free society.

We pledge ourselves to the launching of a comprehensive legislative attack upon several of the most pernicious and unjust aspects of the American criminal justice system, and we implore the Administration and the 93rd Congress to consider seriously the following tentative list of recommendations. These recommendations are far from all-inclusive, but their tenor suggests the type of changes which are required if the notion of "Equal Justice Under Law" is to be anything but an empty promise:

CORRECTIONS

The first black prisoners in this country were Africans brought here in chains in 1619. Our African ancestors were the victims of the political, economic, and social oppression of white America, and let it always be remembered and understood that the majority of present-day black offenses in the context of the criminal justice system have their roots in the political, economic, and social deprivations of blacks by Anglo-America. Slave camps, leg irons, handcuffs, reservations and concentration camps; Sing Sing, Jackson, Attica, Soledad. These are the real monuments of this country, more so than Monticello or the Statue of Liberty.

The handwriting is on the wall for the American system of "corrections." It is scrawled with the pen of intolerance and corruption, and written in the blood and human anguish of its victims. Our prisons are scenes of physical, verbal, and psychological brutality, inadequate medical care, arbitrary and capricious rendering of disciplinary decisions without regard to an inmate's constitutional rights, and total dehumanization and human destruction. Involuntary subjection of primarily black inmates to various forms of medical, drug, and psychological experimentation has reached alarming proportions, as the uncovering of the Tuskegee Studies and investigations of such atrocities as the experimental use of thorazine and prolixin on "unruly" prisoners graphically indicate.

When the dehumanization and non-record of rehabilitation by correctional agencies are considered, the failure of the criminal justice system is compounded and assured. Rehabilitation is the major chance of the criminal justice system to reduce crime, yet here, it fails perhaps worst of all. Recidivism rates for released prisoners are generally constant for various parts of the country despite vari-

ations in the outmoded correctional practices currently employed everywhere. There is no difference in the recidivism ratios between inmates who had received "rehabilitative training" as it is presently being conducted within the confines of prisons and those who had not. Government officials have yet to face the fact that community-based treatment is cheaper than building more and more gigantic prisons. It would cost less per year to send an offender to college than it does to incarcerate him. Probation costs only 1/6 as much as institutional care, and parole only 1/14 as much.

One study shows that 93% of the juvenile court jurisdictions in the country lack detention facilities other than city jails or police lockups. The majority of the offenders held in the corrections system are between 15 and 30. In jails across the country, juveniles and adults are mixed, with untried detainees and convicted felons placed in the same cell so that misdemeanants can sit at the feet of seasoned offenders.

There is a total absence of strictly enforced minimum standards for the treatment of prisoners. Existing procedures for the review of prisoner complaints are inadequate. Policy makers have forgotten that the central constitutional principle underlying all rules, regulations, procedures, and practices relating to persons imprisoned in accordance with federal law is that such persons must retain all rights (such as the guarantee of free expression and association) except those expressly removed by Title 18 of the U.S. Code. Instead, cruel and unusual punishment abounds.

If the federal government generally and LEAA specifically are serious about wishing to lower crime rates—which they have failed to do thus far—they are going to have to raise the priority of corrections significantly. After all, 85% of the crimes in this country are committed by repeaters, and 98% of all inmates eventually return to the community. Yet the corrections system is under-financed and over-taxed. Federal, State, and local governments together spend less than 1/5 of their criminal justice budgets on corrections. They spend more than 3/5 on police.

We recommend the following:

1. A ban on the building of any new correctional institutions for juveniles or adults and the development in their place of community based rehabilitation programs and other alternatives to incarceration.

2. The establishment of small, state and local community-based correctional treatment centers—including diagnostic services, halfway houses, and other supervisory programs and preadjudication and postadjudication referral of delinquents, youthful offenders, and all inmates—so as to afford a reasonable opportunity for participation in innovative work-release, school release, and various treatment programs.

3. Community-oriented programs for the supervision of parolees and integration of inmates into the community upon parole or release through vocational training, job placement, and on-the-job counseling.

4. A ban on all laws which do not allow professional licenses to be granted to former inmates.

5. The establishment and enforcement of prisoner treatment standards and the creation of an agency within the framework of a national enforcement mechanism to hear complaints arising from alleged infractions of such standards.

6. The establishment of parole decision-making bodies for adult and juvenile offenders which are independent of correctional institutions, the establishment of an independent and regionalized Board of Parole, the provision of fair and equitable Federal parole procedures, and the provision of assistance to the State for the operation of fair and adequately staffed parole systems.

7. The establishment of alternatives to the detention of persons awaiting trial.

8. The entitlement of prisoners to furloughs for family and social visitation.

9. The establishment of a "Bill of Rights for Prisoners," of procedures to insure the right of offenders to be free from personal abuse, and of formalized and enforced grievance procedures for inmates.

10. The banning of all psychiatric, drug, and other medical testing and experimentation in prisons.

11. Attorney rights for all prisoners in preparing their parole applications, habeas corpus briefs, etc.

12. An end to parole regulations placing undue restrictions on parolees regardless of the merits of individual cases.

13. The prohibition of the arbitrary dissemination of arrest records to prospective employers of ex-inmates.

COURTS

The overwhelming majority of the adjudicated cases occur in the State and local courts, and State and local judicial systems suffer from a number of serious administrative, structural, and fiscal problems. Court systems in most States are highly fragmented, lack central administrative direction, exhibit disparate rules of practice and procedure, have cumbersome procedure for judicial selection, discipline, removal, and retirement, and are often faced with critical shortages of funding. All of this leads to a disorganized, inefficient, and unjust judicial system.

Overwhelming caseloads, overlapping jurisdictions, widely varying procedures for trying similar types of offenses, and wide disparities in sentencing practices and the quality of judicial personnel pose a severe threat to the rights of the accused and to the equitable functioning of the judiciary. Although the right of the poor to a defense attorney at all stages of any Federal or State criminal proceeding has been established by the Supreme Court, implementation of this right lags seriously behind the case law. Those supposedly "presumed to be innocent" are packed into courts with over-crowded dockets and often provided with inadequate legal counsel after being held in jail for inordinate lengths of time awaiting trial. 52% of the American jail population at any given moment has not been convicted of anything. For those individuals who are arrested, it's bail for the rich and jail for the poor. One's ability to post bond is almost entirely a function of his socio-economic status, relegating the entire bail system to the depths of class discrimination. The practice of "plea-bargaining" is regularly abused by prosecutors and inept defense attorneys alike. Defendants often plead guilty to crimes they did not commit after being induced and/or coerced to do so.

With regard to "preventive detention," studies show that the factors which a court could use in determining who should be preventively detained have never been empirically established, thus compounding the danger of total arbitrariness in its application. On the other hand, statistics show that if all arrested persons could be brought to trial within two months after arrest, well over 50% of crime committed by those on bail could be eliminated. Even a 1970 pilot study authorized by the Department of Justice to support preventive detention theories indicated that the possibility of predicting pre-trial crime is negligible, while most pre-trial crime occurs *after* sixty days have passed between the time of arrest and the time of trial.

The fact that state and federal judges of courts on all levels are appointed and not elected prejudices a fair trial in many cases, and precludes black representation in most cases, since there is not a single black official in this nation who has the power to appoint a judge. Despite President Nixon's feeble attempt to answer our 1971 demand that he appoint equitable number of black Federal judges and other legal officials, including U.S. Attorneys, U.S. Marshalls, Federal correctional officials, and other high-ranking Justice Department employees in every region of the country, black representation in all of these areas does not even begin to approach parity with the black population level in this nation.

We recommend the following:

1. A drastic increase in the percentage of LEAA and other funds spent on the judicial system.

2. Speedier trials, with a maximum of 60 days' wait for felonies and 30 days for misdemeanors. These limits should be flexible enough to allow for continuances requested by defense attorneys, pre-trial discovery by both prosecution and defense, etc.

3. The immediate appointment by the President of equitable numbers of black federal judges and other judicial officials, including U.S. Attorneys, U.S. Marshals, federal correctional officials, and other high-ranking Justice Department employees in every region of the country.

4. Improvements in court administration and organization on all levels.

5. The removal of traffic cases from the purview of the judiciary and their placement under the jurisdiction of administrative boards.

6. A tightening of sentencing laws to make them more consistent and punishment less disparate.

7. Elimination of sentences which call for the payment of a fine, or, in the alternative, incarceration for those who cannot pay fines.

8. The decriminalization of "victimless crimes."

9. The cessation of selective use of grand juries to habitually indict individuals for clearly political reasons.

10. The establishment of strictly enforced standards for the provision of legal services to individuals involved in every stage of the criminal justice system, including habeas corpus and parole application preparation.

11. The prohibition of prosecutorial coercive inducements to entering a plea of guilty and the banning of any plea negotiations being conducted without the presence of defense counsel.

12. The improvement of pre-trial release programs, including, in appropriate cases, increased diversion of offenders out of the criminal justice system and into community-based rehabilitative programs prior to trial or conviction, the establishment of procedures for the issuance of a summons in lieu of arrest, and wider use of citation release systems, station house release, and third party custody for all but the most serious alleged crimes.

13. The upgrading of the quality and standards of judges and judicial conduct through more stringent selection processes which are based solely on merit and which involve representatives of the lay public as well as those thoroughly schooled and experience in the law and the judicial process.

14. Substantive reform of the bail system.

15. The creation of pre-trial discovery provisions which place definite obligations on both prosecution and defense.

16. The wider use of "screening" (the discretionary decision to stop, prior to trial or plea, all formal proceedings against a person who has been arrested) based not only upon insufficiency of evidence, but also upon such factors as the financial hardship or family disruption of the accused, the value of further proceedings in preventing future offenses by the accused, and improper motives of the complainant.

POLICE

Police brutality and the abuses which American citizens must endure daily at the

hands of the police have been widely exposed and discussed, yet nothing substantive has been done to curb the wanton disrespect so often shown by law enforcement officers with regard to individuals' constitutional and civil rights. The 1968 rioting of policemen in Chicago should not be mistaken as an isolated occurrence for the residents of ghettos and barrios are constantly confronted with the reality of perpetual police abuse.

One need only critically examine the difference between the way policemen generally return white, middle class juvenile offenders to their mothers' doorsteps with a slap on the wrist and perhaps a verbal tongue-lashing while black delinquents are almost invariably thrust into the cruel criminal justice system upon committing their first offense, to grasp the inherently discriminatory nature of present-day enforcement. It has been empirically determined that in addition to the courts, arresting police officers exercise a considerable amount of discretion in making the decision to divert certain alleged offenders from the criminal justice system. Yet, police diversion practices are terribly inconsistent. A study of 48 police agencies in Los Angeles County revealed diversion rates ranging from a high of 82% to a low of 2%. The police, like the courts, have often failed to realize that certain types of conduct, such as that manifested by the mentally ill, alcoholics, and juveniles, can best be dealt with by diversion from the criminal or juvenile justice systems.

Police selection, recruitment and training continue to take place in the absence of strictly observed minimum government standards. While about two-thirds of the States have established Councils on Police Standards, myriad abuses still occur. As the Police Task Force of the President's Commission on Law Enforcement and the Administration of Justice put it:

"Existing selection requirements and procedures in the majority of departments . . . do not screen out the unfit. Hence, it is not surprising that far too many of those charged with protecting life and property and rationally enforcing our laws are not respected by their fellow officers, and are incompetent, corrupt, or abusive."

A study by the International Association of Chiefs of Police showed that of 162 major law enforcement agencies across the country, only 41 administer psychological tests to applicants. Six of these agencies did not even conduct personal interviews. Educational requirements for policemen are minimal, with many departments not even requiring a high school education. Courses in the sociology and psychology of poverty and ghetto life are virtually non-existent in the police academies. Even the President's Commission on Crime in the District of Columbia noted that recruits who were not deemed qualified to write citations were nonetheless immediately issued guns and ammunition.

We recommend the following:

1. The immediate upgrading of standards for police selection, training, and recruitment.

2. The amendment of Title 18 U.S. Code Section 242 so that it becomes a more effective legal tool in prosecuting those policemen who deprive citizens of their constitutional rights under color of law while making an arrest.

3. The encouragement of lateral recruitment of lawyers, medical paraprofessionals, college graduates, and others into the ranks of police forces, and the modification of restrictive civil service regulations that prohibit lateral recruitment.

4. The creation of citizens' review boards empowered to monitor police practices and handle citizens complaints outside the framework of police agencies.

5. An end to discriminatory policies of police recruitment, selection, and promotion, and the proportionate employment of ethnic minorities on police forces.

6. The formalization of all police diversion decisions with regard to juvenile offenders. Such decisions must be made by highly trained juvenile specialists. There must be a corresponding increase in monetary support for community-based programs geared for providing assistance and counseling to referred juveniles.

7. The provision of comprehensive government tort liability insurance for police employees. This would enable the public to collect for damages to person and property that arise from the misuse of police discretionary powers. Furthermore, if the government is paying for insurance, it will be more likely to see to it that police discretion is kept within legitimate bounds.

The hard logic of practical American politics dictates that a hesitant Administration and Congress, all too carried away with the current "law and order" ethic, will only be compelled to encourage legislation aimed at an amelioration of the failures of the criminal justice system if they are pressured to do so by an aroused citizenry which holds out its power at the ballot box and which demands change in a constructive, collective, and organized fashion.

Any realistic look at the current State of the Union dictates our recognition that the failure of every aspect of the so-called system of legal justice raises questions which go even deeper than the failure to reduce crime; for it raises other questions which go to the heart and very nature of our society. The community outside the prison walls must never separate itself from the community inside the jailhouse. And the corrective measures against crime must be at least partially administered in the community. The essential problem is not that of an "improper" individual behind the bars; for most of us sense intuitively that the problem basically is that of an improper society outside the prison gates. It is a society which is rampant with inherent contradictions. It is in this context that the Congressional Black Caucus recognizes at the outset that unless we simultaneously address ourselves to this larger question, all talk of correcting the criminal justice system takes place in a vacuum.

Civil Rights

(Representative Barbara Jordan)

In the nineteen years since the historic decision of the U.S. Supreme Court which outlawed segregated education, the Federal civil rights arsenal has been stocked almost full. Almost every aspect of discrimination has been prohibtied by statute, executive order or Supreme Court decisions. Much of the administrative machinery has been established to give the Federal government the means to insure that no citizen is denied the opportunities guaranteed by the Constitution. But in the 1970's, this array of weapons is in danger of becoming like the arsenal in colonial Williamsburg, neatly stored in an isolated blockhouse, noticed only by students and historical scholars. The legacy of two decades of national upheaval is withering away from lack of use, and, in some areas, from active attempts to dismantle the enforcement machinery.

This atrophy is certainly not attributable to a lessening of the need for forceful programs to assure minorities equal access to decent homes, good jobs, effective health care and full participation in the processes of democracy. Despite some dramatic progress in the last two decades, racism continues to flourish across this land, crippling the lives of Blacks, Puerto Ricans, Mexican Americans, Indians and other oppressed minority groups. Black families earn only 61% of what white families earn. Black unemployment continues at twice the rate for whites. Nonwhite male infant mortality is increasing while fewer white infants are dying. It is small comfort to a Black family struggling to overcome ancient prejudices to know that it is guaranteed equality in legal theory.

Only with national resolve and unflinching enforcement of civil rights laws can this legal theory be translated into fact. Both resolve and enforcement are in dwindling supply in this decade. The buoyancy and optimism of the 1960's, when statutes and orders were won to break down almost every barrier to equality, have given way to dismal perceptions of the demise of "the Second Reconstruction." Instead of promoting racial conciliation and social change through the active enforcement of civil rights laws, this administration has combined indifferent, lackluster enforcement with blatant backtracking.

These disastrous, regressive policies are apparent throughout the Federal establishment. The Federal government itself, the nation's largest employer with over three million employees, has yet to give minorities equal employment prospects, especially in the higher levels of the civil service system where decision-making power and influence rest. Twenty-seven percent of the civil service employees in grades 1–4 are Black, but only 4% of those in grades 12–18 are Black. Despite improving efforts by the Civil Service Commission to increase recruitment of Blacks and other minorities in all levels, these proportions have scarcely changed.

The private employment picture is far worse. The Federal government has a wide variety of powers designed to open up industries and unions to minorities which have been systematically excluded from well-paid employment. The Equal Employment Opportunity Commission, which has responsibility for Title VII of the Civil Rights Act of 1964, prohibiting discrimination in private employment, has had little impact on the pervasive racism it is directed to attack. Long vacancies in key positions, limited and time consuming powers, continuing lack of sufficient staff and funds, and negligible coordination with other key agencies have relegated the Commission to piecemeal reactions to individual complaints. It has made relatively few initiatives to attack the broad patterns of discrimination in employment and promotion possibilities which abound throughout the private sector. Those complaints which it does handle take from 16 months to two years to process. Attempts in the 92nd Congress to give the Commission the power to issue cease and desist orders to employers or unions found guilty of discrimination were opposed by the administration and defeated.

The Office of Federal Contract Compliance in the Department of Labor has shown even less effectiveness in making government contractors follow non-discrimination in their employment practices. Its principal sanction—termination of government contracts—has been used so rarely that it is no longer a credible weapon. The Philadelphia Plan and other "hometown" efforts to open up construction unions to minorities are widely recognized as charades which result in little real improvement in the employment prospects for Black construction workers. The principal tool available to these agencies and many others in the Federal establishment, affirmative action plans for increasing minority employment, have come under increasing attack as the undemocratic imposition of forced quotas. Setting reasonable goals for minority employment, with accompanying timetables and carefully laid out plans for approaching those goals, are the essential mechanisms for gaining access for minorities to employment in the economic mainstream. The administration's vehement opposition to quotas, which is a perversion of the goals required by affirmative action plans, has given the cloak of respectability to the opposition to this principal means for secur-

ing equal employment opportunity. These spurious attacks seek to characterize affirmative action plans as the establishment of mechanical selection procedures which ignore merit and concentrate only on skin color, ethnicity or sex. Instead, affirmative action must be seen as a remedy when an employer or union is shown to have discriminated against minorities, for without explicit plans and targets that discrimination will continue to exist. The nation must be made to realize that the time has come to pay the moral dues for the centuries of discrimination and neglect which have cut off millions of black and brown citizens from enjoying the fruits of our society.

The Department of Justice's Division of Civil Rights, which should be the focal point of the Federal civil rights effort, plays an almost invisible role. Its minimal staff prevents it from exercising the coordination required, with the result that its attorneys concentrate on minor and lengthy litigation Instead of imaginative and aggressive enforcement of the laws, pressing other federal, state and local agencies to generate major civil rights compliance activity, the Civil Rights Division exercises scant leadership in the field. Its principal responsibility for insuring every citizen the right to vote has been all but abandoned. The administration tried in the last Congress to dismantle the special provisions of the Voting Rights Act of 1965 which are vitally needed to enfranchise the 2.5 million still unregistered black voters in the South. The Federal government shows an alarming willingness to let these disenfranchised blacks fend for themselves, rather than actively seeking to prevent states and political subdivisions from establishing discriminatory voting procedures.

This dreary picture repeats itself throughout the Federal establishment. Title VI offices in almost every Federal agency, charged with insuring that minorities have equal access to and participation in Federal programs, are understaffed, underfunded and inadequately trained. Their efforts are characterized by self-certification of non-discrimination with little, if any, agency investigation; rare pre-approval of grantees' compliance with civil rights statutes; and no enforcement of those statutes if discrimination is found. The U.S. Commission on Civil Rights, the independent watchdog of the Federal civil rights effort, has consistently pointed out the utter inadequacy of existing enforcement programs. No agency has ever been rated as making more than a marginal effort in any civil rights area. Recent personnel decisions by the President give no reason to hope for improvement. A union official who has actively resisted the development of affirmative action plans in the construction industry has been designated the Secretary of Labor. The head of the Health, Education, and Welfare Department's Division of Civil Rights, whose enforcement programs have been severely criticized for inactivity and ineffectiveness by a Federal Court, has been designated to take charge of the Civil Rights Division of the Justice Department. The Chairman of the Civil Rights Commission, whose agency has fought an uphill battle to breathe life into civil rights enforcement, has been forced to resign. The Community Relations Service of the Justice Department, once a forceful advocate of minority causes in communities across the country, has been decimated by budget cuts.

How did this nation, which seemed to have rediscovered conscience and concern for the rights and opportunities of others in the last two decades, so quickly find itself in a period of increasing reaction and racial antagonism? Perhaps it is because we all underestimated the complexity of the problems of racism and the deeply rooted attitudes and institutional procedures which sustain it. Certainly the task of rooting out the discrimination which pervades almost every aspect of life in this country cannot be accomplished merely by statutes or court orders. Vigorous enforcement of the law with the leadership of the highest officials in government is clearly necessary, but so obviously lacking. The sense of urgency about civil rights seemed to melt away when the ghettos stopped burning and the present administration began four years of "low profile" numbing government.

There are only a few hopeful signs of change. Recent agreements arranged by the administration with the American Telephone and Telegraph Company and the Bethlehem Steel Company in separate cases could have major impact on previous discriminatory practices in those companies and demonstrate the potential impact of large industry actions. Thousands of employees should find new avenues of promotion and advancement opened up to them as a result of these federal compliance activities. Millions more could benefit from increased federal actions of this kind.

Another hopeful sign is that the budget request for Fiscal Year 1974 showed few decreases, other than in the Community Relations Service of the Department of Justice, for civil rights enforcement activities, and a number of small increases in agency allotments. These modest increases will not revolutionize civil rights enforcement but they can help retard the backsliding which has become increasingly typical of the federal effort.

However, the problems remaining to be solved are immense, and the momentum of the 1960's has run out. The 93rd Congress will be called upon to defend progress already made rather than undertake new initiatives. The effort to extend the nation's concept of equality to include all men of all colors cannot yet be abandoned.

Rural Development

(Congressman Andrew Young)

Because 69% of our citizens live on 11% of the land, we tend all too often to forget, and consequently neglect, the 64 million citizens of our small towns and rural areas. Or if we remember them at all it is only to suggest as an afterthought that they too should move to the cities where the problems can be treated "en masse" Mistreated would be a better phrase, for the record of accomplishment in solving urban problems over the past few years is sad indeed. Yet as poor as that record may be, there has at least been a recognition of the urban problems. The problems faced by our rural citizens are all but ignored.

To a much greater extent than most people realize, our urban problems are a result of a massive exodus from rural America to the cities. The cities will never be able to solve their problems until that massive immigration is slowed down or reversed. Housing, jobs, educational opportunities must be made available for rural Americans. It has been customary of late to speak of black problems and urban problems interchangeably, but the fact is that 51.5 percent of the black population of America still reside in eleven southeastern states. With the mechanization of farming they are forgotten and unwanted.

The Farmers Home Administration in testimony before Congress less than a year ago estimated that a minimum of $12 billion was needed to supply water and waste disposal systems to the small towns of rural America. Yet what has happened? The Nixon Administration has terminated the water and waste disposal grant program. This is a fourfold loss. Disease and ill health will continue to plague communities with inadequate water supplies; inadequate (more likely, nonexistent) waste treatment will further pollute the streams and water table, spreading the problems; it will deprive small communities of the additional employment opportunities such public works provide; and, it will continue to force more people into the cities where at least the basic amenities are available. This nation cannot afford such economics.

One might suppose that a nation dedicated to education as the tool of upward mobility would indeed devote specific sums of money toward improving rural and small town schools and educational programs. Indeed, Congress so intended with the Elementary and Secondary Education Act, and the Migrant Education Act, among others. But the administration of those and other educational acts has been so warped by urban thinking and urban administrators, that the money is largely spent in urban school districts attempting to correct the presumed deficiencies of rural children forced off the land into cities. And this Administration's answer has not been to improve the administration, but rather to cut back the programs. Such reasoning only contributes to the general decline of educational standards in both rural and urban areas. It will not surprise you to hear that black households have the worst of it, and that, relative to white households, they have lost ground since 1960. Representing less than 10% of all households, blacks account for 24% of substandard and/or crowded occupancies. In non-metropolitan areas, less than 40% of the black households live in dwellings which are not one or the other. This is considerably better than in 1960 (when less than 20% of the black families in non-metropolitan areas lived in standard, uncrowded housing), but parity with white households is, in a sense, further away. In 1960, the incidence of substandard and/or crowded housing was about three times as high for non-metropolitan blacks as for non-metropolitan whites. In 1970, the figure for blacks is almost four times as large as for whites.

And the need for Indian housing is even greater. Nearly two-thirds of all occupied housing under the jurisdiction of the Bureau of Indian Affairs are rated as substandard.

Efforts to implement the Congressional pledge of 1949 to provide a decent, safe and sanitary home for every citizen are not being carried forward by this Administration, and that is particularly true in rural areas.

Lack of sanitary housing and water supply, inadequate basic education all contribute to increased need for medical care, but, as in almost all areas of rural life, the medical care available is too often too little, too late. While this Administration tells us the Hill-Burton Act has resulted in a 20% over supply of hospital beds, they fail to mention that the over supply is in the urban and particularly suburban areas. There is still a shortage in rural areas—as there is of doctors and paramedical personnel, of clinics and nursing homes, of emergency ambulance service and visiting nurses, and of public health services generally. Once again in rural areas where the needs are greatest, the programs and services are poorest.

Last year the Economic Research Service of the USDA prepared for the Senate Government Operations Committee a study on "The Distribution of Federal Outlays Among U.S. Countries." It largely confirms that pattern of "metropoliana" into which this country has lapsed. Per capita income in non-metropolitan counties is more than $1,000 below that in metropolitan counties and the level of per capita outlays is more than $100 less than in metro counties. Figures for the housing programs (excluding public housing and rent supplements, neither of them generally available in rural areas) work out to $91 per capita in metropolitan counties, $40 in non-metropolitan counties, and only $35 in the most rural counties.

It is no wonder then that transportation, job training, public employment programs,

community facilities and programs of all kinds for senior citizens are tragically absent from our rural communities. And their continued absence makes almost certain the continued migration from rural areas to metropolitan centers.

We call upon the nation to recognize both the strength and the need of our rural citizens and to act with both common sense and compassion. Common sense in recognizing that it is in the long run both easier and more economical to treat social and economic problems where they first occur, and compassion in admitting our policy mistakes of a generation which have forced rural areas and their citizens into second-class citizenship.

REVENUE SHARING

(Congressman LOUIS STOKES)

Revenue sharing under Richard Nixon is nothing more than a convenient excuse to cut categorical programs for minorities and the poor. More and more, people who come to Washington for help are sent home again to fight for a small slice of the revenue sharing pie.

In the Congressional Black Caucus' statement to the President two years ago, we urged that this concept be utilized to meet the desperate human needs of our cities and states. Unfortunately, the Nixon response is to promote revenue sharing primarily as a means to reduce local taxes rather than to improve urban services. As such, revenue sharing becomes a political expediency rather than a solution to pressing human needs or a way to return decision-making to local citizens.

Indeed, given the inherent weaknesses of the revenue sharing law and the Nixon Administration's adherence to the dubious principle of benign neglect, we have much to fear from this concept. Already, we hear from mayors and governors wondering whether they may have lost more in categorical program funds than they will ever gain from revenue sharing.

If we are to target funds where they are most needed, we can not simply accept a block grant program based on a cold, computerized formula frozen into law. Flexible programs must be developed to meet specific needs, and we here in Congress must shoulder our responsibility to create the machinery to meet those needs.

For us, as representatives of the poor, minorities and disenfranchised, revenue sharing is not—and will not—be the answer.

CIVIL RIGHTS COMPLIANCE

For example, even though the revenue sharing law contains a non-discrimination provision, the Nixon Administration shows no sign of preparing to force compliance. In a letter to the General Counsel of the Treasury Department, the Leadership Conference on Civil Rights pointed out glaring weaknesses in these non-discrimination regulations. We subscribe to these comments and we stand ready to take legislative action if the Administration fails to make necessary changes.

Regulations already issued do nothing more than recite the statutory requirements found in the law as passed and in Title VI of the Civil Rights Act. The Administration could have required state and local governments to report on civil rights compliance—but it did not. The Administration could have spelled out how fund recipients would be expected to carry out their equal opportunity obligations—but it did not. The Administration could have outlined other federal agencies' responsibilities to monitor and investigate compliance—but it did not. The Administration could have endorsed our 1971 recommendation that neighborhood groups be included in planning distribution of funds—but it did not.

Apart from the outright discriminatory aspects of revenue sharing as now practiced by the Nixon Administration, there are other, equally dangerous, problems. Distribution formula can be altered by state legislatures to the disadvantage of poorer and needy communities. And already, one state is moving toward ceding authority for allocating funds to a regional planning body which is not answerable to any elected official.

EXTENDING THE BLOCK-GRANT APPROACH

Yet, given these serious shortcomings, the Nixon Administration now wants to extend revenue sharing to specific areas such as health, education and housing. And President Nixon seems determined to hold hostage funds appropriated by the Congress until he gets special revenue sharing legislation enacted.

This strategy is clearest in the area of housing. The President wants to replace existing housing subsidy programs with a special revenue sharing package. If the President has his way, block grants would go to local communities for housing and then federal programs to solve specific housing problems would be eliminated. And while Congress considers Nixon's proposal and possible alternatives, no new federal funds will reach communities.

However, before we take action on these special revenue sharing programs, it would be wise to analyze the one existing prototype in this area—the LEAA program. We view LEAA's block grants as an example of the possible perversions of the revenue sharing concept. Without controls, without sufficient planning requirements, without civil rights enforcement, LEAA programs are marked by inefficiency, waste, racism, maladministration and, in some cases, corruption. Worst of all, this hundred million dollar effort has had little, if any, impact on the incidence of crime in America.

With all these serious fallacies, the Congressional Black Caucus intends to seriously question the need for further revenue sharing. We will work to insure that government funds are directed toward the nation's most critical needs and that they are allocated in an equitable, non-discriminatory manner.

CONCLUSION

(Congressman LOUIS STOKES)

Mr. Speaker, we have now heard from the members of the Congressional Black Caucus. We have set forth our views as to the True State of the Union and the path we feel this nation must follow. We hope to help stimulate the revival of the Congress as an effective, innovative co-equal branch of Government. We must begin a massive new effort to meet the human needs of this country. Our foreign policy, so long corrupted by the Indochina war, must be redirected toward helping the underdeveloped nations. To accomplish our goals, we will need to work with our colleagues in the Congress. Many of our colleagues are here today to join us in discussing the True State of the Union. Let us now begin to hear their views.

FEDERAL CIVILIAN EMPLOYMENT, DECEMBER 1972

(Mr. MAHON asked and was given permission to extend his remarks at this point in the RECORD, and to include extraneous matter and tables.)

Mr. MAHON. Mr. Speaker, I include a release highlighting the December 1972 civilian personnel report of the Joint Committee on Reduction of Federal Expenditures:

FEDERAL CIVILIAN EMPLOYMENT, DECEMBER 1972

Total civilian employment in the Executive, Legislative and Judicial branches of the Federal Government in the month of December was 2,829,576 as compared with 2,820,810 in the preceding month of November. This was a net increase of 8,775. 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 the month of December is compared with the preceding month of November and with December a year ago as follows:

	Full-time in permanent positions	Change	Temporary, part time, etc.	Change	Total employment	Change
Change this month:						
November 1972	2,455,326		324,341		2,779,667	
December 1972	2,457,675	+2,349	331,075	+6,734	2,788,750	+9,083
12-month change:						
December 1971	2,525,858		300,662		2,826,520	
December 1972	2,457,675	−68,183	331,075	+30,413	2,788,750	−37,770

The decrease of 37,770 during the 12-month period since December 1971 reflects a reduction of 39,587 in Defense agencies and 34,773 in Postal Service, partially offset by a net increase of 36,590 in all other agencies. Full-time permanent employment over the 12 month period was reduced by 68,183 reflecting a reduction of 67,458 in Defense agencies and 725 in all other agencies.

FISCAL YEAR 1974 BUDGET PROJECTIONS

Of current interest in this connection are the new budget projections (or "targets") for full-time permanent civilian employment levels as of June 1973 and June 1974. Comparison of current full-time permanent employment (December 1972) with the budgeted projections and estimated June 1974 with estimated June 1973 follows:

	Civilian agencies	Military agencies	Total
December 1972, actual	1,429,841	1,027,834	2,457,675
June 1973, estimate	1,472,300	1,012,400	2,484,700
(compared to December 1972)	(+42,459)	(−15,434)	(+27,025)
June 1974, estimate	1,451,800	986,800	2,438,600
(compared to December 1972)	(+21,959)	(−41,034)	(−19,075)
(compared to June 1973, estimate)	(−20,500)	(−25,600)	(−46,100)

THE MONTH OF DECEMBER

Executive branch employment in the month of December totaled 2,788,750, a net

increase of 9,083 as compared with the preceding month of November. Changes in total employment in December in civilian agencies of the Executive branch as compared with civilian employment in military agencies were as follows:

	December	November	Change
Civilian agencies	1,698,505	1,688,016	+10,489
Military agencies	1,090,245	1,091,651	−1,406
Total, civilian employment	2,788,750	2,779,667	+9,083

The civilian agencies of the Executive branch reporting the largest increases in December were Postal Service with 8,365, Treasury with 2,436 and HEW with 1,341. In the Department of Defense the largest decrease was reported by Navy with 1,044.

Total Executive branch employment inside the United States in December was 2,628,100, an increase of 10,191 as compared with November. Total employment outside the United States in December was 160,650, a decrease of 1,108 as compared with November.

LEGISLATIVE AND JUDICIAL BRANCHES

Employment in the legislative branch in December totaled 32,355, a decrease of 305 as compared with the preceding month of November. Employment in the Judicial branch in December totaled 8,471, a decrease of 3 as compared with November.

In addition, Mr. Speaker, I would like to include a tabulation, excepted from the joint committee report, on personnel employed full-time in permanent positions by executive branch agencies during with June 1971, June 1972 and the budget estimates for June 1973:

FULL-TIME PERMANENT EMPLOYMENT

Major agencies	June 1971	June 1972	December 1972	Estimated June 30, 1973 [2]
Agriculture	84,252	82,511	82,612	83,400
Commerce	28,435	28,412	28,731	28,200
Defense:				
Civil functions	30,063	30,585	30,199	32,400
Military functions	1,062,741	1,009,548	997,635	[3] 980,000
Health, Education and Welfare	104,283	105,764	108,394	[4] 110,200
Housing and Urban Development	16,030	15,200	16,215	15,800
Interior	57,570	56,892	57,072	57,000
Justice	42,662	45,446	45,972	47,200
Labor	11,352	12,339	12,530	12,800
State	23,398	22,699	22,511	23,200
Agency for International Development	13,477	11,719	11,004	10,800
Transportation	68,482	67,232	66,479	67,700
Treasury	90,135	95,728	97,685	103,000
Atomic Energy Commission	6,920	6,836	7,032	7,000
Civil Service Commission	5,324	5,260	5,692	6,000
Environmental Protection Agency	5,959	7,835	8,025	8,900
General Services Administration	38,076	36,002	36,411	38,100
National Aeronautics and Space Administration	29,478	27,428	27,254	26,800
Panama Canal	13,967	13,777	13,813	14,000
Selective Service System	5,569	5,791	5,694	5,700
Small Business Administration	4,004	3,916	4,057	4,200
Tennessee Valley Authority	13,612	14,001	14,253	14,000
U.S. Information Agency	9,773	9,255	9,281	9,400
Veterans Administration	158,635	163,179	169,234	171,600
All other Agencies	31,333	33,499	34,645	35,800
Contingencies				2,000
Subtotal	1,995,530	1,910,854	1,912,430	1,915,200
U.S. Postal Service	564,782	594,834	545,245	569,500
Total	2,520,312	2,505,688	2,457,675	2,484,700

[1] Included in total employment shown on table 1, beginning on p. 2.
[2] Source: As projected in 1974 budget document; figures rounded to nearest hundred.
[2] Excludes increase of 5,000 for civilianization program.
[4] Excludes increase of approximately 9,000 in adult welfare categories to be transferred to the Federal Government under Public Law 92-603.
[5] December figure excludes 2,768 disadvantaged persons in public service careers programs as compared with 2,891 in November.

AMENDING MINERAL LANDS LEASING ACT OF 1920

(Mr. MEEDS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MEEDS. Mr. Speaker, I am today introducing legislation to remedy a deficiency in the Mineral Lands Leasing Act of 1920 recently brought to light by the U.S. Court of Appeals for the District of Columbia.

Section 28 of the act provides for a 25-foot right-of-way on each side of a petroleum or gas pipeline. Since no modern-day pipeline, including the proposed trans-Alaska pipeline, can be constructed in such a limited space the court enjoined the issuance of a special land use permit until Congress changes the law.

The court did not rule on the applicability of the National Environmental Policy Act. The environmental issues remain to be decided by the court.

The National Enviromental Policy Act is receiving its first important court test over the issuance by the Secretary of the Interior of a special land use permit to construct the trans-Alaska pipeline. I personally want NEPA to work. The bill I am submitting today addresses itself solely to the question of right-of-way width raised by the court. This is simply an amendment to the mining laws, which control pipeline rights-of-way. It has nothing to do with the environment. Once the right-of-way width issue is cleared out of the way, we will be able to get a good test of the environmental issues in the courts.

Today, as we know, major pipelines are in the range from 30 to 42 inches in diameter. Consideration is being given to diameters of 48 inches or more. The proposed trans-Alaska pipeline, for example, would be a 48-inch line. A 40-foot section would weigh about 5 tons. The construction of a pipeline of such a diameter requires the use of large, heavy, modern construction equipment. Such construction equipment must use substantial space alongside of the right-of-way. Consequently, if the court is right that no reasonable interpretation of the Mineral Leasing Act would permit a pipeline operator to utilize a single foot of space outside of the 50-foot right-of-way, no new pipelines can be constructed across Federal lands. Furthermore, many existing pipelines are in jeopardy, for compressor stations and pipelines themselves must be maintained.

Undoubtedly, many people disagree with the court's interpretation, and believe that Congress granted adequate legislative authority to the Secretary of Interior to issue necessary rights-of-way across public lands. However, it is not in the public interest for us to engage in a debate with the courts over this legislative interpretation. If the statute is unclear to the courts, then it is the obligation of Congress to clarify the statute.

In order to clarify the congressional intent, I propose that we delete from section 28 of the Mineral Leasing Act, the phrase "and 25 feet on each side of same" and insert a provision that a pipeline right-of-way include not only the ground occupied by the pipeline but also "related facilities and the land reasonably necessary for access to and construction, operation and maintenance of the pipeline and related facilities."

The amendment further provides that the Secretary may attach conditions as to "duration" of the use. This would authorize the Secretary to issue permits of limited duration for construction purposes.

In my opinion, the amendments to the Mineral Lands Leasing Act which I propose will provide a modern day solution for modern technological problems.

As we all know, there is an urgent need to discover and utilize additional sources of domestic oil and gas. Bringing the Alaskan oil into production will help alleviate the energy crisis which is particularly acute in the Midwest and Northeast.

Certainly we can import oil but such imports only aggravate an already critical balance-of-payments problem. It is projected that 2 million barrels a day will be pumped from the Alaskan fields. Without the Alaskan oil our balance-of-payments deficit will worsen by up to $3 billion a year.

In addition, it is imperative for the Alaskan Natives and the State of Alaska that the North Slope oil be brought to market. The State is dependent on the oil revenues for operation of the State government. And independently, the Native Claims Settlement Act would be rendered nearly worthless if the oil is not extracted. Congress must keep faith with the Natives who have both a moral and legal right to the mineral revenues we promised them only a little more than a year ago.

If we recognize our need for oil, we will

recognize the need for amending the Mineral Lands Leasing Act. Whether a pipeline is wholely within Alaska or is routed from Alaska through Canada, the need for this amendment remains. In either case the court decision is applicable, since in either case the pipeline would have to cross public lands. It prevents construction of nearly all modern pipelines over any public lands in the United States.

In no way would this amendment affect the administrative choice of a pipeline route. That decision would remain for those seeking the permit, the Secretary of the Interior and ultimately, the courts. However, it is imperative that we in Congress provide an adequate legislative basis for issuing rights-of-way permits, in order that oil and gas can be brought to market from whatever location in the country.

Right-of-way width is the only point of this legislation; all questions dealing with the environmental aspects of a pipeline are left for the courts to decide.

IMPOUNDMENT

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, the need to clarify the limits of the Presidential impoundment power must be the first order of business for this Congress. The Office of Management and Budget recently disclosed that as of January 29, 1973, $8.7 billion in funds was being impounded.

Not only has the executive branch refused to spend money which Congress has appropriated for a variety of programs, but it has exercised what amounts to a line item veto by eliminating programs which it deems expendable.

This power to impound, as broadly defined by the executive branch is very much in question. In 1969, William H. Rehnquist, now an Associate Justice of the Supreme Court, wrote in a memorandum submitted to the White House that:

> With respect to the suggestion that the President has a constitutional power to decline to spend appropriated funds, we must conclude that existence of such broad power is supported by neither reason nor precedent.

Rehnquist served at that time as an Asssistant Attorney General in charge of the Office of Legal Counsel.

Because of the importance of this matter and its immediate effect on the health, transportation, housing, and education of our citizens, I have cosponsored legislation to prohibit the President from impounding any funds, or approving the impounding of funds without the consent of the Congress, and to provide a procedure under which the House of Representatives and the Senate may approve the President's proposed impoundment. I request that the full text of this bill be reprinted at the conclusion of my remarks.

The legislation is intended to prevent the President and all officers and employees of the United States from impounding funds without the express approval of the Congress. The bill provides that before funds can be impounded, the Executive must send a special message to the Congress specifying the amount to be impounded and the projects and functions affected. The Congress must then specifically approve the proposed impoundment within 60 days.

Mr. Speaker, we will never get our priorities straight in this country until we in Congress put some meaning behind the words "checks and balances" and "separation of power." If Congress can legislate and fund a given program and then see it ignored or dismantled by Executive rule without any recourse, we will have strayed very far indeed from the form of government established by the Founding Fathers.

The bill follows:

H.R. 2816

A bill to prohibit the President from impounding any funds, or approving the impounding of funds without the consent of the Congress, and to provide a procedure under which the House of Representatives and the Senate may approve the President's proposed impoundment

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Congressional Spending Power Act of 1973."

SEC. 2. (a) The President shall not impound any funds appropriated by law out of the Treasury for a specific purpose or project, or approve the impounding of such funds by any officer or employee of the United States unless—

(1) The President shall transmit to the House of Representatives and the Senate a special message specifying—

(A) the amount of funds to be impounded,

(B) the specific projects or governmental functions affected thereby, and

(C) the reason for the impounding of such funds, and

(2) The Congress shall approve the specific impounding of funds in accordance with the procedure set out in section 5 of this Act within sixty calendar days of continuous session after the special message is received by the Congress.

(b) Each special message submitted pursuant to subsection (a) shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each such message shall be printed as a document of each House.

(c) If the Congress does not consider the special message submitted pursuant to subsection (a) within the sixty-day period referred to in subsection (a), approval of the proposed impounding of funds shall be deemed to have been refused.

SEC. 3. Whenever the Congress shall refuse to approve a proposed impounding of funds set forth in a special message submitted pursuant to section 2(a), the President shall not again submit a special message to the Congress proposing to impound any of such funds in whole or in part during the same fiscal year.

SEC. 4. For purposes of this Act, the impounding of funds includes—

(a) the withholding of funds (whether by establishing reserves or otherwise) appropriated for projects or activities, and the termination of authorized projects or activities for which appropriations have been made, and

(b) the delaying of the expenditure or obligation of funds beyond the close of the fiscal year in which the expenditure or obligation was intended by the Congress in appropriating such funds.

SEC. 5. (a) The following subsections of this section are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be deemed as a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described in this section; and they shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in any manner, and to the same extent as in the case of any other rule of that House.

(b)(1) For purposes of this section, the term "resolution" means only a concurrent resolution of the House of Representatives or the Senate, as the case may be, which is introduced and acted upon by both Houses before the end of the first period of sixty calendar days of continuous session of the Congress after the date on which the President's special message is received by that House.

(2) The matter after the resolving clause of each resolution shall read as follows: "That the House of Representatives (Senate) approves the proposed impounding of funds as set forth in the special message of the President dated ————————, House (Senate) Document numbered ————."

(3) For purposes of this subsection, the continuity of a session is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded from the computation of the sixty day period.

(c)(1) A resolution introduced with respect to a special message shall not be referred to a committee and shall be privileged business for immediate consideration. It shall at any time be in order (even though a previous motion to the same effect has been disagreed to) to proceed to the consideration of the resolution. Such motion shall be highly priviledged and not debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) If the motion to proceed to the consideration of a resolution is agreed to, debate on the resolution shall be limited to ten hours, which shall be equally divided between those favoring and those opposing the resolution. An amendment to the resolution shall not be in order. It shall not be in order to reconsider the vote by which the resolution is agreed to or disagreed to, and it shall not be in order to move to consider any other resolution introduced with respect to the same message.

(3) Motions to postpone, made with respect to the consideration of a resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) Appeals from decisions of the Chair relating to the application of the rules of the House of Representatives or the Senate, as the case may be, to the procedure relating to a resolution shall be decided without debate.

LITHUANIAN INDEPENDENCE DAY

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, last Friday marked the 55th anniversary of the Declaration of Independence of Lithuania. I rise today to join in the observ-

ance of that anniversary and to add my voice to those of freedom-loving people around the world, who are protesting the continued enslavement of that nation by the Soviet Union.

For 22 of the 55 years that have passed since Lithuania declared her independence the people of that nation have been subjected to a Communist program of systematic destruction of their culture and a vicious repression of the freedom to which they are entitled as human beings. That the Russians have failed in these efforts was evidenced recently by the bold action of 17,000 Lithuanian Catholics in petitioning the United Nations for freedom. Massive street demonstrations over the past year have also served notice to the Soviets and to the world that the spirit of freedom is still very much alive in the area that once was the Republic of Lithuania.

It is my hope that our delegates to the upcoming European Security Conference will make the plight of Lithuanian people, and that of all those trapped behind the Iron Curtain, a matter for serious discussion. The petition of freedom and self-determination for Lithuania is one which concerns all of us, and I, for one, pledge to continue my efforts to work for the freedom of that nation and all other captive nations.

CHIEF JUDGE J. CLARENCE HERLIHY DISCUSSES THE PROBLEMS OF COURT ADMINISTRATION

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, much has been said in recent years about the problems of judicial administration and delay in our courts.

Presiding Justice J. Clarence Herlihy of the third department of New York State's appellate division, whom I have known personally ever since I served as mayor of Schenectady, recently expressed some very interesting ideas on problems and some possible solutions. His comments appeared in a recent supplement to the New York Law Journal and I ask unanimous consent that Justice Herlihy's very interesting article be printed in the RECORD, since I am sure his views will be of great interest to many of my colleagues.

The article follows:

[From the New York Law Journal, Jan. 24, 1973]

COURT ADMINISTRATION: UPSTATE VIEW

(By J. Clarence Herlihy)

The pace of justice has long been a cause of concern to common law societies and, as the President's Commission on Law Enforcement and Justice Administration has observed, we can link contemporary dismay with delay in the legal process back through our literature to Hamlet's lament that "the law's delay" is as noisome a human condition as "the pangs of mispriz'd love."

The pace of justice today is of particular concern in our criminal justice system. Congestion and delay in that system is most acute and prevalent in the sprawling metropolitan and urban centers of the nation where it has been estimated two-thirds of the American people live and work. And irrespective of the myriad and well-documented causes of delay in the system, one thing is clear: the legal process in the metropolitan areas of the United States in its methodologies and technologies has simply not kept abreast with the great demographic and economic changes that have altered the character of American society during the Twentieth Century.

CRACKERBARREL METHODS

Indeed, as Chief Justice Burger observed in his 1970 State of the Judiciary Address to the American Bar Association: "In the Supermarket Age we are trying to operate the courts with crackerbarrel and corner grocer methods and equipment, vintage 1900."

Much of the judiciary's present plight in the area of congestion and delay in its criminal justice system can be attributed to the fact that our nation's court systems were designed to serve compact, homogeneous and small rural societies. As a result, the county unit of government still remains the basic unit of court organization throughout most of the United States, electorally, fiscally and administratively.

This parochial pattern of court organization based upon county government was perhaps an efficient, economical and responsive form of organization in the unhurried earlier ages of our histroy; in the emerging age of the megalopolis, however, it is manifestly an organizational concept that requires critical reexamination.

NEW YORK SYSTEM

Fortunately, New York State's unified court system is so designed to transcend many of the organizational limitations inherent in a system structured along county boundaries. There are few states as diverse as New York in terms of population density, and economic and cultural disparity, as among, for example, the metropolitan counties of New York City, the great suburban communities of Long Island and the lower Hudson Valley, and the generally, but not exclusively, rural and agricultural upstate counties comprising the Third and Fourth Judicial Departments.

The unified administration, or government, of a court system for a state as diverse and as populous as ours, with its multitiered courts and supporting staffs, is by its nature a formidable responsibility and challenge. In all likelihood, the efficient central day-to-day administration of such a diverse system is literally impossible to achieve. Thus it is, I think, that the draftsmen of the 1962 constitutional reorganization of the courts vested each Appellate Division with substantial and comprehensive administrative powers over the operation of the courts within their respective judicial departments, with the important constitutional limitation that the Appellate Divisions exercise these powers "in accordance with the standards and administrative policies" established by the Administrative Board of the Judicial Conference.

This system of shared judicial administrative authority has strong adherents, and equally strong and well-intended critics. Nevertheless, the existence of the system and its design gives to each Appellate Division considerable administrative flexibility in ordering the civil and criminal processes of the courts within the geographical boundaries of their respective departments, with due consideration to local, and often unique, conditions in the courts, counties and judicial districts under their supervision.

IMPORTANT FACTORS

Such factors include the volume of judicial business in its *nisus prius* courts, the availability of judicial and nonjudicial manpower (including the practicing Bar), and the limitations of existing physical facilities.

In the Third Judicial Department, which consists of twenty-eight upstate counties and the third, fourth and sixth judicial districts, the Appellate Division in the exercise of its administrative authority relies heavily upon its three Administrative Judges (one in each judicial district), the office of the Departmental Director of Administration, and the Departmental Committee for Court Administration both in the formulation and the implementation of administrative policies and procedures. Once adopted, procedures and rules are continually monitored as to effectiveness and achievement and frequent conferences and meetings between the Court and its administrative aides and advisors serve to assure that the lines of communication always remain open and active.

While delay in the administration of criminal justice is not an acute problem in the Third Judicial Department, improvement and upgrading of the existing system and its facilities is nevertheless the constant goal of our court's administrative efforts, and several recent innovations and ongoing projects in the area seem worthy of mention.

NATIONAL COURT PLAN

Those most familiar with the nation's court systems, both federal and state, are cognizant of the fact that delay and congestion in the criminal justice field are not endemic to the trial of criminal cases and proceedings. Delay and congestion are fast becoming problems in the appellate process as well—as evidenced, for example, by the Freund Committee's proposal to create a national court of appeals to screen cases sought to be reviewed by the United States Supreme Court. This problem was also highlighted in a commentary in the November, 1972, *American Bar Association Journal* by Robert W. Meserve, the Association's president, when he cited the time-consuming appellate procedures following the convictions in the famed Chicago Seven and Sirhan Sirhan cases.

Mr. Meserve concluded that regardless of the reasons behind the considerable timespan between indictment and appellate review in the cases, more is actually at stake than the defendants' constitutional rights to a speedy trial: "Our obligation to society is equally important. Public confidence in the fairness and efficiency of criminal law administration is one of its most vital elements. We cannot afford to lose public confidence by even the appearance of unreasonable and unwarranted delays."

To militate against delay in criminal appeals coming to the Appellate Division in the Third Department, our court's system is to routinely advise each attorney assigned or who accepts an assignment to represent an indigent defendant: first, that the appeal must be brought on for argument within ninety days, or a motion upon notice for an enlargement for time be made; and second, that the Appellate Division considers the prosecution of an assigned appeal a matter of professional duty requiring counsel's immediate attention.

DISCIPLINING POSSIBLE

In those cases where notice of argument is not filed in compliance with this ninety-day rule, the attorney is given a ten-day notice to file the record and briefs, or to request an enlargement of time. In the rare case where delinquency in the prosecution of a criminal appeal persists, the attorney is requested to appear before a member of the court and is advised that formal disciplinary action against him may result from a neglect of his assignment.

This is a simple calendar control device of proven effectiveness. It assures the prompt hearing and disposition of indigent criminal appeals; and, equally important, demonstrates to the Bar and to the public our court's conviction that the expeditious determination of an individual's guilt or innocence

is an absolute necessity in the correctional process, and a major responsibility of the judicial system.

Another ongoing project to expedite the criminal process commenced last fall with the establishment of a Court Planning Unit for the Third Judicial Department, funded under the provisions of the federal Omnibus Crime Control and Safe Streets Act of 1968 by the Judicial Conference and the Office of Crime Control Planning.

THREE AREAS STUDIED

The court planning staff of two attorneys is charged under the terms of the funding grant to initially focus upon three areas of the criminal justice system in the Third Judicial Department: trial delay, legal representation of defendants and inmates, and prisoner grievances.

With respect to trial delay, the court planners will compile data on existing delay in the processing of criminal cases in each of the twenty-eight counties of the Third Department, and will review current grand jury and county court scheduling policies and practices. Where existing practices are found in need of revision in order to meet statutory time limitations, the court planning unit is expected to develop plans for improving case management and scheduling.

In the area of prisoner grievances, the court planners will develop recommendations for the review of complaints asserted by inmates incarcerated in county and state correctional facilities located within the Third Department. They will also seek to devise methods of screening meritorious claims from frivolous applications. In the allied field of legal representation for indigent defendants, the court planning unit is expected to analyze and evaluate existing twenty-seven legal defense plans in the various counties throughout the Department, and to develop recommendations for the improved delivery of these services.

CASES MONITORED

Thus far, the court planning unit has devised a central information system for monitoring the intake and dispositions of criminal motions and proceedings in the county courts of the Department; and is conducting a study dealing with the problem of disparity, if any, in criminal sentencing in those courts.

In conclusion, I should like to add one further observation concerning delay in the criminal justice field. Foremost, to my way of thinking and from my experience as a member of the Administrative Board of the Judicial Conference, the root cause of our current problem is the lack of central court financing in New York State.

For example, in the Third Judicial Department, there are fifty-one local fiscal authorities which fund the unified court system and which must be consulted in the preparation of annual court budgets. Obviously, such fragmentation of fiscal responsibility in the operation of the courts precludes rational planning and intelligent programming of the constitutional mission of that system.

JOINT FINANCING

Similarly, in the First and a portion of the Second Judicial Department, there is the constant problem of joint financing by the city and state governments; and the inevitable conflicts as to their respective responsibilities in appropriating sufficient funds for such court purposes as court and detention facilities, nonjudicial staffs, the transportation of prisoners to and from court, probation services and myriad other judicially related services; the lack of which greatly contribute to congestion, and over which the courts have little, if any, control.

Conversely, if New York's judicial branch of government were to be financed through a central state budget—as is the case with the Executive and Legislative branches of government—better coordination of resources could be achieved, much of the present inefficiency and congestion in the courts could be eliminated, as would the existing lack of central fiscal control and the jurisdictional and policy conflicts among the hundreds of local governmental units now financing the unified court system.

A unified state budget for the New York State judiciary has been advocated by the Appellate Divisions and the Administrative Board of the Judicial Conference for several years, as well as by such organizations as the League of Women Voters and the State Bar Association. Several bills to implement central state financing for the courts have been introduced in the Legislature and have been the subject of considerable and extended study.

Hopefully, the 1973 session of the Legislature will see a concrete beginning to this vitally important reform in the administration of justice in New York State.

THAT RECOMPUTATION REPORT—AN EDITORIAL ON THE REPORT OF THE STRATTON SUBCOMMITTEE

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, Navy Times, the authoritative, independently owned military weekly, recently ran an editorial on the report of the House Armed Services Special Subcommittee on Retired Pay Revisions which will be of special significance to all of those interested in military retired pay recomputation.

The editor of Navy Times, Mr. John Slinkman, is one of the most knowledgeable experts on military personnel matters in our Nation's Capital; he has followed the development of military retirement and other personnel legislation for almost 30 years. In the present instance he has produced an important editorial which is worthy of the attention of all Members of Congress.

I particularly call your attention to his discussion of the political realities which may have attended the vote on the recomputation amendment in the Senate. These political facts of life are something that many citizens are not aware of, and such votes sometimes give a false impression of the true support that certain legislation might have.

It is time that all Members of Congress chose their position carefully on this complex issue and avoided creating false and irresponsible hopes in the minds of military retirees.

The editorial follows:

[From Navy Times, Jan. 31, 1973]

THAT RECOMPUTATION REPORT

A stunning blow to chances of recomputation, even a partial recomp, was devlivered by the special subcommittee of the House Armed Services Committee which made a study of all the various recomp proposals.

We have devoted a great deal of space in the last three issues to the long report of the subcommittee. We did that, not only because of the importance of the subject to both actives and retirees, but also to let readers know just what are many objections to recomputation by at least some legislators.

The objections are many and even with them laid out for rebuttal it is going to require great effort on the part of those who favor recomp to overcome them.

We are not going to repeat all of them here, instead we address ourselves to the three which may be the most fundamental obstacles to a return to the system of changing retired pay each time active duty pay is changed.

Retirees claim that abolishing recomp has had a bad effect on retention. The subcommittee denies this completely. It points out that retention was a problem during recomp and that the whole purpose of the major pay overhaul of 1958 (which abolished recomp) was to try to boost sagging retention. And it points out that very little interest in the recomp controversy is displayed by those now on active duty. Those arguments are going to be hard to rebut.

Next is the cost factor. Partial recomp would be very expensive—$14 billion to the year 2000 for the Nixon plan. Full recomp—whether for every person on active duty in 1958 or just for those who could be considered to have been career-committed in 1958—is so expensive ($96 billion for the latter) that other defense programs or other government programs would have to be curtailed drastically. The alternative is a tax increase.

Moreover the one-time recomp proposed by the administration or in the Hartke amendment will not still the clamor for recomputation, the subcommittee asserts. There was such a one-time recomp in 1963, and it did not end the controversy, the group reminded. And it quoted testimony of service organization representatives at last fall's subcommittee hearings that, if the retirees did get a one-time recomp, those organizations probably would be back again for another recomputation in the future.

Mention of the Hartke amendment brings up another point. Retirees were greatly heartened by the overwhelming 84 to 4 vote for that proposal in the Senate.

The political facts of life are that one house of Congress often adopts amendments which it knows aren't going to survive. Indeed, whenever the Senate gets a tax bill from the House it always adds amendments which it not only knows will not survive, but hopes will not survive. It's a political game, in which the Senator can tell voters, "I tried."

Significant in the case of the Hartke amendment was that, when the procurement authorization bill came back from the House-Senate compromise committee without the amendment, very little effort was made by any of the 82 Senators to get it put back in.

What makes the report important to actives—who have evinced little interest in recomp—as well as to retirees, is the hardnosed view this group of legislators takes towards retirement generally.

The congressmen pointed out that many benefits had been provided retirees, in place of recomputation, and that the military retirement system as it stands is "the most liberal general system in existence."

If that is the feeling of many legislators—and it's known to be shared by Chairman Stennis of the Senate Armed Services Committee—then the prospects are dim, dim not only for recomp but for any added benefits.

Congress is going to get from Defense this year a retirement overhaul package specifically designed to reduce the mounting costs of military retirement. The plan is designed to have minimum impact on those nearing retirement but the more junior the man or woman, the greater will be the reduction in present benefits.

It is not impossible that the legislators, with an eye on future retention problems, will trim present benefits more abruptly and ease up on future cuts. That also would have the advantage, in their eyes, of more immediate savings.

In this climate the chances either of recomputation or of any other retirement liberalizations are not at all good.

LET US PROTECT THE FREEDOM OF THE PRESS

(Mr. LEGGETT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LEGGETT. Mr. Speaker, I have recently joined with a number of my colleagues in introducing H.R. 2231, the Free Flow of Information Act, a bill to protect journalists from being forced to divulge sources and confidential information to government authorities.

This bill provides broad coverage. It protects reporters and those independently engaged in gathering news from being forced to reveal sources or information before any body of the Federal Government—the Congress, the courts, grand juries, and administrative agencies.

There is one, very narrow, exception to this bill. If a reporter is a defendant in a libel suit and his defense is based on the reliability of his source, he cannot invoke the protection of the act and refuse to name his source, thereby precluding the court from examining the merits of his defense claim.

In unusual cases, a party seeking divesture of the privilege must apply for an order from the U.S. district court, and the application may be granted only if all of the following three conditions are satisfied: first, there is probable cause to believe that the person from whom the information is sought has information clearly relevant to a specific violation of the law; second, the information cannot be obtained by alternative means; and third, there is a compelling and overriding national interest in the information.

My own reading of the Constitution indicates to me that there is no need for this legislation, but, unfortunately, certain members of the Supreme Court do not concur in this judgment. The Court decision in the Caldwell case, and the lower court rulings in the Farr and Bridge cases strike at the very heart of our system—the ability of the people to garner enough information to adequately assess the performance of their government.

An informed public is the key to a democracy, and a free and independent press is the key to an informed public. When we require newsmen to reveal their confidential sources, we are in essence precluding the gathering of the very information that has historically kept our public officials in tow.

Let us look at some of the recent stories that resulted from the journalist's ability to guarantee confidentiality to his source. Every Pulitzer Prize won for coverage of the Vietnam war depended on confidential sources. This includes the stories by Malcolm Browne and David Halberstam that challenged the truthfulness of the U.S. Government in saying the war was being won in 1963 and that the strategic hamlet program was a success in beating back the Vietcong. Halberstam and Browne showed the war and the program to be a failure and a farce. This information, upheld by history, certainly did not come from official Government sources. It came from lower echelon people who would have been reluctant to release such information if they thought they could be implicated in the process of the press release.

The My-Lai story—Seymour Hersh has indicated that his confidential sources for the story included three Army officers, a Congressman, and two congressional aides. Would we know about the My-Lai tragedy if Reporter Hersh had begun his investigation in the shadow of the Caldwell, Farr, and Bridge decisions? Perhaps not.

Other major stories that depended on confidential sources included:

A story on the Watts riot and its aftermath; a study of the Black Panthers in southern California; an article detailing important aspects of the Son Tay prison raid in Vietnam; an exposé of Ku Klux Klan terrorists in the South; an article on the controversy over oil imports; and a story concerning the relationships between Abe Fortas, then Supreme Court Justice, and the Wolfson Foundation.

This list, of course, represents only a fraction of the important stories that could be partially or wholly attributed to the newsman's ability to guarantee confidentiality, yet it gives a good indication of the importance of this issue. The press has often been called the "Fourth Branch of Government." I have no doubt that this branch will all but cease to exist if the current judicial harassment of reporters is allowed to continue.

Important investigative reporting largely depends on the reporter's ability to get to those sources that are in the position to have knowledge of government corruption. These sources will almost certainly dry up if the courts continue to order newsmen to reveal their sources. What government or private employee will choose to expose a scandal when he knows such an exposé could mean his job? On the other hand, I would imagine that many journalists faced with a choice of revealing a source and going to jail, would simply choose the easier route, and rely more heavily on official releases. The occurrence of either possibility could prove disastrous for both the people and the Government of this country.

Thomas Jefferson is often quoted as saying that, if he had a choice, he would choose a press without a government over a government without a press. The recent actions of the Court have been a step in the direction of the latter situation. The Congress must act to halt that step.

WE NEED A NEW VIEW TOWARD CUBA

(Mr. LEGGETT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LEGGETT. Mr. Speaker, the beginning of the 93d Congress is an excellent time to reevaluate our position toward Cuba. I have continually applauded President Nixon's visits to China and Russia last year. In my opinion, such diplomatic missions are the ultimate key to peaceful coexistence between the two major ideological blocs in the world.

Let us not, however, halt this historic process in midstream. If we can travel thousands of miles to China and Russia in order to break down two decades of misunderstanding, then we should be able to come to some mutually beneficial agreement with our Cuban neighbors only 90 miles away.

The Cuban revolution is now 12 years old. Their ideological fervor has been diluted by time, and they are now ready to deal with the United States on a more reasoned basis. Fidel Castro has indicated a willingness to negotiate the hijacking problem, an issue that is bothersome to both countries. This is a major step for the Cuban Government. It was not long ago that they were referring to us as the northern devil.

It is up to us to reciprocate this move by a reevaluation of our own thinking. The Cuban Government may be here to stay. We are only fooling ourselves if we think that it is suddenly going to collapse from the dissatisfaction of its citizens or the imposition of the American embargo—Communist governments, due to their disciplined nature, do not easily subvert.

At the same time, it is obvious that the Cuban revolutionary model has been rejected in the short run by the rest of South America. It died with Che Guevara in the Bolivian countryside.

Yes, Cuba is a Communist nation, but it is high time that we base our foreign relations on something other than an emotional fear of the "red menace." That fear has already led us into the morass of Vietnam.

I do not propose that we suddenly become the mother protector of the Castro regime, but that we face up to the realities of the Cuban situation. Cuba is only 90 miles away, as such it is an obvious possible trading partner. More importantly, reconciliation with Cuba will serve notice on South America and the rest of the world that the United States is willing to form an entente with small nations as well as large.

Our recent relations with China and Russia are important in that they amount to a significant inroad into 25 years of cold-war hostility. Let us continue this important step with a new view toward Cuba.

At this point in the RECORD I enclose an article by Herbert Matthews from the December 14, 1972, New York Times on this important subject:

CUBA'S REVOLUTION ON THE PLUS SIDE

(By Herbert L. Matthews)

LONDON.—Both Cuba and the United States are going to have to change their policies toward each other if there are to be even the beginnings of fruitful negotiations on anything but hijacking.

I spent three weeks in Cuba in September, during which I had talks with virtually every leader from Fidel Castro down, and traveled from Pinar del Rio in the west to Oriente Province in the east. I would say that the least of the difficulties facing Washington is to get the Cubans to change their minds about talking with Henry Kissinger or whoever else might ultimately be sent to Havana. Judging from what has been said and written in Washington and New York (and picked up in London) there is little understanding of the formidable obstacles which now stand between Cuba and the United States. This is not the Cuba of 1959.

The economic situation has improved since 1970 and there are good reasons to believe, as

President Osvaldos Dorticós put it to me, in "a slow, steady, uphill climb" during the coming years. Cuba has gone through thirteen years of material hardships and just as they are beginning to let up Fidel Castro is not likely to be wooed and won by economic aid or dollar credits which are not at all essential to his revolution. No approach to him would make sense if it did not, as a pre-existing basis for negotiation, accept his revolution, including its Marxism-Leninism and the social transformation of Cuban life.

The Revolution and Fidel Castro's position in it seem stronger than ever. I had long talks with him and Raúl Castro, his brother, other Cabinet ministers, leaders of the Communist party, the labor confederation, the Women's Federation and the Committees for the Defense of the Revolution. I have known these men and women for about fifteen years and I have never seen them so relaxed, so sure of themselves or so happy. They believe that their worst trials are over and that time is on their side.

No greater mistake can be made about the Cuban Revolution than to judge it in economic or material terms. Fidel Castro is not giving Cubans the consumer goods and prosperity they would like, but he is giving them a great deal else they never had, such as honesty in government, excellent educational, medical and social services for every citizen, and almost full employment.

Cuba's entry in COMECON (the Communist bloc's economic union) last summer will change little. The island will always be "dependent" on the outer world because it lacks so many vital raw materials, but it is wrong to think glibly in terms of the Revolution simply having shifted Cuban dependence on the United States to the Soviet Union. Russia does not own an acre of Cuban land or a single mine or factory; she does not own or control Cuba's utilities and banking structure; she does not have any influence on the culture and way of life of Cubans. Moreover, she is a comfortable 6,000, not 90 miles away. The Russian take no profit out of Cuba—very much to the contrary. In talking to me, Castro was very enthusiastic about his trip to Russia last year. "Our relations are closer than ever," he said.

In these fourteen years, the whole structure of the Cuban economy has had to change from American machinery, goods, management and methods to the Russians, Japanese (the second largest traders), Spanish, British, French, Italians and Canadians. The United States can never again move into a vacuum, as it did after the 1898 war. Americans must start all over again.

Richard Nixon, more than any North American, is anathema to Fidel Castro, his associates and, one must suppose, the great majority of Cubans. Every time his name is printed in "Granma," the official newspaper, it is with a swastika in place of the "x" in Nixon. Naturally, this will not impede the negotiations on hijacking.

Almost certainly, the simple explanation of the Cuban approach is that Fidel Castro finally got utterly fed up with his country being made into a dumping ground for every criminal and crackpot who decided to hijack a plane. One need not yet read anything more into what has happened—but it may lead to more. Fidel Castro is nothing if not pragmatic, and he is never afraid to change his tactics. He has become more mature and more experienced, now that he has reached the advanced—for Cuba—age of 46.

"We will be friendly with those countries who want to be friendly with us, whatever their form of government," he said to me in September. However, he added that he did not see how relations with the United States could change in present circumstances, and that he was not looking for a change.

IS THE WHITE HOUSE RENEGING ON THE SALT AGREEMENT?

(Mr. LEGGETT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LEGGETT. Mr. Speaker, as one of the Members of Congress that applauded last summer's SALT agreements, I am deeply disturbed by the President's latest moves to dismantle the Arms Control and Disarmament Agency, and concentrate all phases of disarmament policy within the White House.

This Agency, under the astute direction of Gerard C. Smith, conducted 2½ years of intense negotiations with the Soviet Union, and succeeded in establishing the basis of an agreement which could easily become the most important document in the history of mankind, not to mention its relevance to the American taxpayer who stands to gain untold billions in tax dollars that might otherwise go down the drain in the arms race.

Not only is the ACDA to be gutted by a healthy cut—its new budget will be $6.7 million compared to last year's $10 million—but its able leader will be replaced by U. Alexis Johnson, a former Under Secretary of State. Mr. Johnson has been characterized as much more receptive to hard-line Pentagon views than any of the ACDA professionals.

At the same time, while the research capacity of the ACDA has been reduced from $2 million to $500,000, the White House has let out a research contract on disarmament to Donald G. Brennen, an outspoken critic of the SALT agreements.

It is interesting to note that while the peacekeeping ACDA has experienced a substantial cut, the Defense budget somehow escaped the President's frenzied blue pencil without so much as a mark. In fact, the DOD budget contains many healthy increases, including a $917 million jump in the Trident submarine program.

What goes on here? All of these moves, considered together, can only be interpreted as evidence that the President is beginning to backpeddle on the historic advances of the SALT accords. It is no accident that, almost simultaneously, the President emasculated the ACDA, replaced the ACDA Director with a hardliner, moved Dr. Kissinger into the forefront of the SALT negotiations, let out a research contract to a well-known anti-SALT spokesman, and submitted a Defense budget that amounts to no less than a massive escalation under the SALT umbrella.

I view all of these events with considerable alarm. The SALT I agreements were historic, but they are more important for what they promise than for what they have already produced.

Dr. Brennan, the White House's favored researcher, testified before the Senate Foreign Relations Committee in June that the SALT agreement established a Soviet nuclear superiority and tied it to a "declining American role in world affairs."

It is my own feeling, Mr. Speaker, that we have had enough of this reactionary thinking.

Ambassador Smith, in his July statement before the House Armed Services Committee, stated:

> The administration's objectives in SALT are to achieve agreements maintaining and enhancing a sound U.S. strategic posture and to reach a more stable strategic relationship with the USSR in order to improve the prospects for peace. I think the objectives have been met in these first agreements.

I agree wholeheartedly with Ambassador Smith's analysis. I only hope that the administration's moves since Ambassador Smith's resignation are not symptomatic of a change of heart on the part of the White House. The cost to the American public, and the entire world would be too high.

THE BUDGET CUTS—MY CONSTITUENTS ASK WHY?

(Mr. LEGGETT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LEGGETT. Mr. Speaker, Mr. Nixon has made one basic assumption in his fiscal year 1974 budget. That assumption is that the rest of the people in this country believe that Washington-based programs haven't succeeded in achieving their stated goals.

This assumption was articulated by Caspar Weinberger, outgoing Director of the Office of Management and Budget, in his press conference on the budget. He stated that—

> There is a feeling in Washington that categorical programs are the way to go. That feeling is not shared in the country.

Well, Mr. Speaker, My mail has begun to come in on the Budget, and it appears that my district is not a part of the country that President Nixon and Mr. Weinberger so often refer to. My constituents have been writing me wanting to know why our best social programs have been gutted, why 23 million medicare recipients are going to have to pay an extra billion dollars, why our land and water conservation funds are being robbed of millions, and why the Defense Department has miraculously escaped this belt-tightening spree without so much as a scratch.

I am, frankly, having a difficult time answering these questions, since I am still seeking the answers myself.

I would like to share with my colleagues one of the more articulate letters that I have received from my constituents on this matter from Ms. Christenia Alder. She states—

> So much has been accomplished by past legislation. To lose it all by the sweep of an accountant's pen, is an atrocious thought.

At this point in the RECORD, I would like to insert the full text of Ms. Alder's letter:

JANUARY 28, 1973.

Congressman LEGGETT,
House Office Building,
Washington, D.C.

DEAR SIR: This evening our "President" asked us to write our congressman concerning his proposed budget. I surmise he would

expect us to favor his proposed cuts because, after all, he's promised not to raise taxes. The new breed of rugged individualist he hopes to generate will have no need of such frivolous expenditures as aid to hospitals or education. Yes, indeed, we may all go back to the strong moral fiber which built this country.

Recently I have been studying the conditions which produced the mythical Americans Mr. Nixon alludes to. They were strong men who died at the age of 40 of old age. They were women who of necessity had enormous families; the necessity being to raise the child to the age of 7 or 8 so he could go to work. The doctrine Mr. Nixon espouses is a poorly veiled form of Social Darwinism. This philosophy is of enormous benefit to the moneyed concerns of our Nation. But to the vast majority of the country, it means that the threat of an illness of any consequence means bankruptcy. That education is a fleeting dream, or worse yet, an opportunity never considered.

And so in response to the President's appeal, I write you to request you exercise your full abilities to combat his budget cuts. If an equitable tax structure could be hit upon, his cuts would be unnecessary. Loopholes for capital are always to be found in the structure of Social Darwinism, however. And Nixon has proposed that we boldly take a step back to 1900 in order to strengthen our Nation economically.

I, for one, am not anxious to try out Mr. Nixon's reactionary approach to contemporary existence. I hope you share my terror. So much has been accomplished by past legislation. To lose it all by the sweep of an accountant's pen is an atrocious thought.

Thank you for your time.

Sincerely,

CHRISTENIA S. ALDEN.

OFFENSIVE COMMERCIALS

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, recently I took the House floor to protest against offensive commercials promoting General Motors' "Il Signore" model Oldsmobile. These commercials were clearly inspired by the recent motion picture "The Godfather" and were offensive in the extreme to persons of Italian descent.

Mr. Speaker, I am happy to report that GM has withdrawn these commercials. I would like to thank all Members of this House who protested to GM and in particular Mr. Fortune Pope, publisher of Il Progresso, a New York-based Italian-language newspaper for his leadership in this matter.

I hope GM will not repeat this unfortunate lapse of good taste.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FOUNTAIN (at the request of Mr. MCFALL), for today, on account of official business;

Mr. ADDABBO, for February 22, on account of official business;

Mr. BRASCO, for February 22, on account of death in family;

Mr. ESHLEMAN (at the request of Mr. GERALD R. FORD), for today, on account of attendance at a funeral;

Mr. FRENZEL (at the request of Mr. GERALD R. FORD), on account of a death in the family;

Mr. PRICE of Texas (at the request of Mr. GERALD R. FORD), for an indefinite period on account of illness;

Mr. TOWELL of Nevada (at the request of Mr. GERALD R. FORD), for today on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HECHLER of West Virginia, for 10 minutes, today, and to revise and extend his remarks.

(The following Members (at the request of Mr. BEARD) and to revise and extend their remarks and include extraneous matter:)

Mrs. HECKLER of Massachusetts, for 5 minutes, today.

Mr. DUNCAN, for 20 minutes, today.

Mr. WHALEN, for 15 minutes, today.

Mr. HEINZ, for 5 minutes, today.

(The following Members (at the request of Mr. RYAN) and to revise and extend their remarks and include extraneous matter:)

Mr. PODELL, for 10 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. EILBERG, for 5 minutes, today.

Mr. GUNTER, for 5 minutes, today.

Mr. KASTENMEIER, for 15 minutes, today.

Mr. DULSKI, for 10 minutes, today.

Mr. O'NEILL, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. ROUSH, and to include extraneous material.

Mr. STOKES, and to include extraneous material, notwithstanding an estimated cost of $2,975.

Mr. GERALD R. FORD, immediately following the President's economic message.

Mr. RANDALL in three instances and to include extraneous matter.

(The following Members (at the request of Mr. BEARD) and to include extraneous matter:)

Mr. BROYHILL of Virginia in two instances.

Mr. GUDE in five instances.

Mr. DERWINSKI in two instances.

Mrs. HECKLER of Massachusetts.

Mr. ARENDS.

Mr. SHRIVER.

Mr. STEIGER of Wisconsin.

Mr. GILMAN.

Mr. SCHNEEBELI.

Mr. HOGAN in two instances.

Mr. WYMAN in two instances.

Mr. HEINZ.

Mr. MCCLORY.

Mr. BOB WILSON.

Mr. ABDNOR.

Mr. COHEN.

Mr. SPENCE in two instances.

(The following Members (at the request of Mr. RYAN) and to include extraneous material:)

Mr. GUNTER.

Mr. RARICK in three instances.

Mr. GONZALEZ in three instances.

Mr. LEHMAN in 10 instances.

Mr. CAREY of New York.

Mr. WILLIAM D. FORD in three instances.

Mr. BEVILL.

Mr. ROY.

Ms. ABZUG in 10 instances.

Mr. WOLFF.

Mr. DE LUGO in two instances.

Mr. WALDIE in four instances.

Mr. DINGELL in two instances.

Mr. THOMPSON of New Jersey.

Mr. HARRINGTON in two instances.

Mr. EVINS of Tennessee in two instances

Mr. ROSENTHAL in five instances.

Mr. CLAY in three instances.

Mr. VAN DEERLIN.

Mr. DOMINICK V. DANIELS in two instances.

Mr. BURKE of Massachusetts.

Mr. ADDABBO.

Mr. HANNA.

Mr. PATTEN.

Mr. REID in two instances.

Mr. NEDZI.

Mr. DELLUMS in 10 instances.

Mr. MITCHELL of Maryland in two instances.

Mr. THORNTON.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 39. An act to amend the Federal Aviation Act of 1958 to provide a more effective program to prevent aircraft piracy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 43. An act to provide for the mandatory inspection of rabbits slaughtered for human food, and for other purposes; to the Committee on Agriculture.

S. 394. An act to amend the Rural Electrification Act of 1936, as amended, to reaffirm that such funds made available for each fiscal year to carry out the programs provided for in such act be fully obligated in said year, and for other purposes; to the Committee on Agriculture.

ADJOURNMENT

Mr. RYAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 52 minutes p.m.), under its previous order, the House adjourned until Monday, February 26, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

465. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Army National Guard, together with notice of the cancellation of two other such projects, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

466. A letter from the Deputy Assistant Secretary of Defense (Installations and Hous-

ing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Naval and Marine Corps Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

467. A letter from the Assistant Secretary of the Air Force (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to amend section 9441 of title 10, United States Code, to provide for the budgeting by the Secretary of Defense, the authorization of appropriations, and the use of those appropriated funds by the Secretary of the Air Force, for certain specified purposes to assist the Civil Air Patrol in providing services in connection with the noncombat mission of the Air Force; to the Committee on Armed Services.

468. A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting a report of Department of Defense procurement from small and other business firms for July to November 1972, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Banking and Currency.

469. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Urban Mass Transportation Act of 1964; to the Committee on Banking and Currency.

470. A letter from the Chairman, National Advisory Council on Supplementary Centers and Services, transmitting the Council's fifth annual report, covering fiscal year 1972; to the Committee on Education and Labor.

471. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination No. 73–11 that it is important to the security of the United States to waive the requirements of section 620(m) of the Foreign Assistance Act of 1961, as amended, in order to provide security supporting assistance to fund the fiscal year 1973 educational and cultural component of the Agreement of Friendship and Cooperation between the United States and Spain, pursuant to section 614(a) of the act; to the Committee on Foreign Affairs.

472. A letter from the Attorney General, transmitting a draft of proposed legislation to amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs; to the Committee on Interstate and Foreign Commerce.

473. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to assure protection of public health and other living organisms from the adverse impact of the disposal of hazardous wastes, to authorize a research program with respect to hazardous waste disposal, and for other purposes; to the Committee on Interstate and Foreign Commerce.

474. A letter from the Secretary of the Treasury, transmitting a report that no findings of reciprocity have been made under Public Law 92–163, an act to facilitate the transportation of cargo by barges specifically designed for carriage aboard a vessel, pursuant to section 2 of the act; to the Committee on Merchant Marine and Fisheries.

475. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize appropriations for certain transportation projects in accordance with title 23 of the United States Code, and for other purposes; to the Committee on Public Works.

476. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend sections 112, 692, 6013, and 7508 of the Internal Revenue Code of 1954 for the relief of certain members of the Armed Forces of the United States returning from the Vietnam conflict combat zone, and for other purposes; to the Committee on Ways and Means.

RECEIVED FROM THE COMPTROLLER GENERAL

477. A letter from the Comptroller General of the United States, transmitting a report that potentially adulterated products need to be better controlled and that sanitation needs to be improved at some fruit and vegetable processing plants receiving grading service from the Agricultural Marketing Service, Department of Agriculture; to the Committee on Government Operations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABDNOR:

H.R. 4593. A bill to provide for the distribution of funds appropriated to pay a judgment in favor of the Cheyenne River Sioux Tribe in Indian Claims Commission docket No. 114, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ADDABBO (for himself and Mr. WOLFF):

H.R. 4594. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. ANDERSON of California:

H.R. 4595. A bill to amend the National Flood Insurance Act of 1968 to provide protection thereunder against losses resulting from earthquakes and earthslides; to the Committee on Banking and Currency.

H.R. 4596. A bill to establish in the State of California the Toyon National Urban Park; to the Committee on Interior and Insular Affairs.

By Mr. BEARD:

H.R. 4597. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

By Mr. BIAGGI (for himself, Mr. BYRON, Mr. LENT, Mr. FORSYTHE, Mr. JONES of North Carolina, Mr. BEVILL, Mr. REID, Mr. PEPPER, Mr. DORN, Mr. PRICE of Illinois, Mr. KEMP, Mr. DANIELSON, Mr. VIGORITO, Mr. ROBERTS, Mr. CHAPPELL, Mr. WYDLER, Mr. FISH, Mr. HOSMER, Mr. ROE, Mr. WILLIAM D. FORD, Mr. DENHOLM, Mr. MOLLOHAN, Mr. RONCALLO of New York, Mr. LEHMAN, and Mr. MICHEL):

H.R. 4598. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a system for the redress of law enforcement officers' grievances and to establish a law enforcement officers' bill of rights in each of the several States, and for other purposes; to the Committee on the Judiciary.

By Mr. BIAGGI (for himself, Mr. MURPHY of Illinois, Mr. ARCHER, Mr. ASPIN, Mr. BROYHILL of Virginia, Mr. BUCHANAN, Mr. DERWINSKI, Mr. DEVINE, Mr. DULSKI, Mr. GROVER, Mr. GUBSER, Mr. HANLEY, Mr. HECHLER of West Virginia, Mr. JOHNSON of California, Mr. KING, Mr. MINSHALL of Ohio, Mr. MONTGOMERY, Mr. PATMAN, Mr. RONCALIO of Wyoming, Mr. TEAGUE of California, and Mr. MATSUNAGA):

H.R. 4599. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a system for the redress of law enforcement officers' grievances and to establish a law enforcement officers' bill of rights in each of the several States, and for other purposes; to the Committee on the Judiciary.

By Mr. BIAGGI (for himself, Mr. TIERNAN, Mr. BURTON, Mr. MITCHELL of New York, Mr. FREY, Mr. KOCH, Mr. CHARLES H. WILSON of California, Mr. CLARK, Mr. O'HARA, Mr. NIX, Mr. MILFORD, Mr. PODELL, Mr. NICHOLS, Mr. HOGAN, Mr. MELCHER, Mr. YATRON, Mr. MCKINNEY, Mrs. GRASSO, Mr. MCCORMACK, Mr. ST GERMAIN, Mr. JOHNSON of Pennsylvania, Mr. SANDMAN, Mr. HASTINGS, Mr. MINISH, and Mr. WOLFF):

H.R. 4600. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a system for the redress of enforcement officers' grievances and to establish a law enforcement officers' bill of rights in each of the several States, and for other purposes; to the Committee on the Judiciary.

By Mr. BINGHAM (for himself and Mr. BRADEMAS):

H.R. 4601. A bil to amend the tax and customs laws in order to improve the U.S. position in foreign trade, to improve adjustment assistance benefits, and to provide clear labeling of foreign products; to the Committee on Ways and Means.

By Mr. BLATNIK:

H.R. 4602. A bill to amend the Vocational Rehabilitation Act to extend and revise the authorization of grants to States for vocational rehabilitation services, to authorize grants for rehabilitation services to those with severe disabilities, and for other purposes; to the Committee on Education and Labor.

H.R. 4603. A bill to improve the veterans' and widows' pension program under title 38, United States Code, by increasing the maximum pension rates, by increasing the maximum annual income limitations, and by taking into account cost-of-living increases in the computation of pension rates, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 4604. A bill to revise the Welfare and Pension Plans Disclosure Act; to the Committee on Education and Labor.

By Mr. BOLAND (for himself, Mr. MOAKLEY, and Mr. SARASIN):

H.R. 4605. A bill to improve the efficiency of the Nation's highway system, allow States and localities more flexibility in utilizing highway funds, and for other purposes; to the Committee on Public Works.

By Mr. BURKE of Massachusetts (for himself, Mr. BEVILL, Mr. CEDERBERG, Mr. FISHER, Mr. FULTON, Mr. FUQUA, Mr. HASTINGS, Mr. MANN, Mr. NICHOLS, Mr. PASSMAN, Mr. RARICK, Mr. SEBELIUS, Mr. SIKES, and Mr. WAGGONNER):

H.R. 4606. A bill to amend the Internal Revenue Code of 1954 to extend certain transitional rules for allowing a charitable contribution deduction for purposes of the estate tax in the case of certain charitable remainder trusts; to the Committee on Ways and Means.

By Mr. CARTER:

H.R. 4607. A bill to provide price support for milk at not less than 85 percent of the parity price therefor; to the Committee on Agriculture.

H.R. 4608. A bill to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension; to the Committee on Veterans' Affairs.

By Mr. CHAPPELL:

H.R. 4609. A bill to amend the Rural Electrification Act of 1936, as amended, to reaffirm that such funds made available for each fiscal year to carry out the programs provided for in such act be fully obligated in said year, and for other purposes; to the Committee on Agriculture.

H.R. 4610. A bill to amend title 10, United States Code, to restore the system of recomputation of retired pay for certain members and former members of the Armed Forces; to the Committee on Armed Services.

By Mr. CLANCY:

H.R. 4611. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CLEVELAND (for himself and Mr. WYMAN):

H.R. 4612. A bill to authorize and direct the Secretary of Agriculture to acquire certain lands and interests therein adjacent to the exterior boundaries of the White Mountain National Forest in the State of New Hampshire for addition to the national forest system, and for other purposes; to the Committee on Agriculture.

By Mr. CONABLE (for himself and Mr. HORTON):

H.R. 4613. A bill to amend the act of August 13, 1946, relating to Federal participation in the cost of protecting the shores of the United States, its territories and possessions, to include privately owned property; to the Committee on Public Works.

By Mr. DAVIS of Georgia (for himself and Mr. BAKER):

H.R. 4614. A bill to further the purposes of the Wilderness Act of 1964 by designating certain lands for inclusion in the National Wilderness Preservation System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DENHOLM (for himself, Mr. ADAMS, Mr. CULVER, Mr. EILBERG, Mr. GINN, Mr. LOTT, Mr. PATMAN, Mr. WALDIE, Mr. PRICE of Illinois, and Mr. HOLIFIELD):

H.R. 4615. A bill to amend the Rural Electrification Act of 1936, as amended, to reaffirm that such funds made available for each fiscal year to carry out the programs provided for in such act be fully obligated in said year, and for other purposes; to the Committee on Agriculture.

By Mr. DEVINE (for himself and Mr. DEL CLAWSON):

H.R. 4616. A bill to amend the Social Security Act to provide for medical, hospital, and dental care through a system of voluntary health insurance including protection against the catastrophic expenses of illness, financed in whole for low-income groups through issuance of certificates, and in part for all other persons through allowance of tax credits; and to provide effective utilization of available financial resources, health manpower, and facilities; to the Committee on Ways and Means.

By Mr. DINGELL (for himself and Mr. DENNIS):

H.R. 4617. A bill to authorize the Secretary of the Interior to assist the States in controlling damage caused by predatory animals; to establish a program of research concerning the control and conservation of predatory animals; to restrict the use of toxic chemicals as a method of predator control; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DULSKI:

H.R. 4618. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. EILBERG:

H.R. 4619. A bill to provide for improved labor-management relations in the Federal service, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 4620. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. FREY:

H.R. 4621. A bill to strengthen and improve the Older Americans Act of 1965, and for other purposes; to the Committee on Education and Labor.

By Mr. FREY (for himself, Mr. ROBISON of New York, Mr. ROSENTHAL, Mr. ROYBAL, Mr. SARBANES, Mr. SEIBERLING, Mr. STARK, Mr. STEIGER of Wisconsin, Mr. TIERNAN, Mr. VAN DEERLIN, Mr. VANDER JAGT, Mr. VANIK, Mr. WALDIE, Mr. WHITEHURST, Mr. WON PAT, and Mr. WYATT):

H.R. 4622. A bill to amend title 18, United States Code, to promote public confidence in the legislative branch of the Government of the United States by requiring the disclosure by Members of Congress and certain employees of the Congress of certain financial interests; to the Committee on Standards of Official Conduct.

By Mr. FREY (for himself, Mr. UDALL, Mr. ANDERSON of Illinois, Mr. ASHLEY, Mr. BADILLO, Mr. BELL, Mr. BIESTER, Mr. BOLLING, Mr. BROWN of California, Mrs. BURKE of California, Mrs. CHISHOLM, Mr. CONYERS, Mr. CORMAN, Mr. CRONIN, Mr. DAVIS of Georgia, Mr. DRINAN, Mr. DULSKI, Mr. EDWARDS of California, Mr. ERLENBORN, Mr. FASCELL, Mr. FORSYTHE, Mr. FRASER, Mrs. GRASSO, Mrs. GREEN of Oregon, and Mr. GREEN of Pennsylvania):

H.R. 4623. A bill to amend title 18, United States Code, to promote public confidence in the legislative branch of the Government of the United States by requiring the disclosure by Members of Congress and certain employees of the Congress of certain financial interests; to the Committee on Standards of Official Conduct.

By Mr. FREY (for himself, Mr. GUDE, Mr. HAMILTON, Mr. HANSEN of Idaho, Mr. HARRINGTON, Mr. HASTINGS, Mr. HECHLER of West Virginia, Mr. HEINZ, Mr. HELSTOSKI, Mr. LEHMAN, Mr. MCCLOSKEY, Mr. MCKINNEY, Mr. MEEDS, Mr. MILFORD, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MOSHER, Mr. OWENS, Mr. PETTIS, Mr. PREYER, Mr. RAILSBACK, Mr. RANGEL, Mr. REES, and Mr. REUSS):

H.R. 4624. A bill to amend title 18, United States Code, to promote public confidence in the legislative branch of the Government of the United States by requiring the disclosure by Members of Congress and certain employees of the Congress of certain financial interests; to the Committee on Standards of Official Conduct.

By Mr. FROEHLICH:

H.R. 4625. A bill to amend section 355 of title 38, United States Code, relating to the authority of the Administrator of Veterans' Affairs to readjust the schedule of ratings for the disabilities of veterans; to the Committee on Veterans' Affairs.

By Mr. FULTON:

H.R. 4626. A bill to amend section 411(c) of the Tax Reform Act of 1969; to the Committee on Ways and Means.

By Mrs. GRIFFITHS (for herself, Mr. BELL, Mr. BIESTER, Mr. BROWN of California, Mr. CLARK, Mr. CLEVELAND, Mr. DANIELSON, Mr. DERWINSKI, Mr. DINGELL, Mr. DONOHUE, Mr. EILBERG, Mr. FRELINGHUYSEN, Mr. FRENZEL, Mr. FROEHLICH, Mrs. GRASSO, Mrs. GREEN of Oregon, Mrs. HANSEN of Washington, Mr. KEMP, Mr. KETCHUM, Mr. MARTIN of North Carolina, Mr. MATSUNAGA, Mr. MOAKLEY, Mr. MURPHY of New York, Mr. NEDZI, and Mr. OBEY):

H.R. 4627. A bill to amend the Internal Revenue Code of 1954 to provide reasonable and necessary income tax incentives to encourage the utilization of recycled solid waste materials and to offset existing income tax advantages which promote depletion of virgin natural resources; to the Committee on Ways and Means.

By Mrs. GRIFFITHS (for herself, Mr. O'HARA, Mr. PEPPER, Mr. PODELL, Mr. RONCALIO of Wyoming, Mr. SCHNEEBELI, Mr. SEIBERLING, Mr. STARK, Mr. STEPHENS, Mr. STOKES, Mr. THONE, Mr. VIGORITO, Mr. BOB WILSON, Mr. WOLFF, Mr. WON PAT, and Mr. YATRON):

H.R. 4628. A bill to amend the Internal Revenue Code of 1954 to provide reasonable and necessary income tax incentives to encourage the utilization of recycled solid waste materials and to offset existing income tax advantages which promote depletion of virgin natural resources; to the Committee on Ways and Means.

By Mr. DIGGS:

H.R. 4629. A bill to redesignate the Office of Commissioner of the District of Columbia as Mayor of the District of Columbia; to the Committee on the District of Columbia.

By Mr. HARRINGTON:

H.R. 4630. A bill to provide public service employment opportunities for unemployed and underemployed persons, to assist States and local communities in providing needed public services, and for other purposes; to the Committee on Education and Labor.

By Mr. HARSHA:

H.R. 4631. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

H.R. 4632. A bill to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HASTINGS:

H.R. 4633. A bill to amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs; to the Committee on Interstate and Foreign Commerce.

By Mr. HASTINGS (for himself and Mr. MITCHELL of New York):

H.R. 4634. A bill to provide price support for milk at not less than 85 percent of the parity price therefor; to the Committee on Agriculture.

By Mr. HEINZ:

H.R. 4635. A bill to strengthen and improve the Older Americans Act of 1965, and for other purposes; to the Committee on Education and Labor.

By Mr. HEINZ (for himself, Mr. BINGHAM, Mr. BROWN of California, Mr. COUGHLIN, Mr. DENT, Mr. HECHLER of West Virginia, Mr. HILLIS, Mr. HORTON, Mr. MCCLOSKEY, Mr. MCDADE, Mr. MOORHEAD of Pennsylvania, Mr. MURPHY of New York, Mr. OWENS, Mr. PODELL, Mr. STRATTON, Mr. STUCKEY, Mr. THONE, Mr. YOUNG of Florida, Ms. ABZUG, Mr. FREY, Mr. SEIBERLING, Mr. STARK, and Mr COHEN):

H.R. 4636. A bill to amend section 1130 of the Social Security Act to make inapplicable to the aged, blind, and disabled the existing provision limiting to 10 percent the portion of the total amounts paid to a State as grants for social services which may be paid with respect to individuals who are not actually recipients of or applicants for aid or assistance; to the Committee on Ways and Means.

By Mr. HELSTOSKI:

H.R. 4637. A bill to provide for the payment of unpaid balances of awards certified by the Foreign Claims Settlement Commission on the basis of claims made under title III of the International Claims Settlement Act of 1949 against the Government of Rumania; to the Committee on Foreign Affairs.

By Mr. HENDERSON (for himself, Mr. ALEXANDER, Mr. DAVIS of South Carolina, Mr. DRINAN, Mr. DULSKI, Mr. FISHER, Mr. FLYNT, Mr. FUQUA, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Mr. JONES of North Carolina, Mr. MATHIS of Georgia, Mr. MATSUNAGA, Mr. MELCHER, Mr. MOLLOHAN, Mr. MOSS, Mr.

MURPHY of New York, Mr. PREYER, Mr. RARICK, Mr. ROSE, Mr. ROY, Mr. THOMPSON of New Jersey, Mr. VIGORITO, and Mr. WAGGONNER):

H.R. 4638. A bill concerning legal counsel of recipients of loans under programs administered by the Department of Agriculture; to the Committee on Agriculture.

By Mr. HENDERSON (for himself, Mr. BROWN of California, Mr. BURTON, Mrs. CHISHOLM, Mr. CULVER, Mr. DANIELSON, Mr. WILLIAM D. FORD, Mr. LEHMAN, Mr. ROUSH, Mr. SARBANES, Mr. SATTERFIELD, Mr. SEIBERLING, and Mr. WOLFF):

H.R. 4639. A bill concerning the legal counsel of recipients of loans under programs administered by the Department of Agriculture; to the Committee on Agriculture.

By Mr. KASTENMEIER:

H.R. 4640. A bill to amend the Internal Revenue Code of 1954 to provide that cigarette advertising is not a deductible business expense; to the Committee on Ways and Means.

By Mr. KUYKENDALL (for himself, Mr. DEVINE, and Mr. SKUBITZ):

H.R. 4641. A bill to amend the Federal Aviation Act of 1958 to provide for the establishment of an air transportation security program and an air transportation security law enforcement force adequate to assure the safety and security of passengers in air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KUYKENDALL:

H.R. 4642. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs (and recipients of assistance or benefits under the veterans' pension and compensation programs and certain other Federal and federally assisted programs) will not have the amount of such aid assistance, or benefits reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

By Mr. LENT (for himself, Mr. ROSE, Mr. COHEN, and Mr. WALSH):

H.R. 4643. A bill to establish a contiguous fishery zone (200-mile limit) beyond the territorial sea of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. McSPADDEN:

H.R. 4644. A bill to appropriate funds to compensate the Cherokee Nation, a tribe of Indians of Oklahoma, for the loss of 545,175.14 acres of land; to the Committee on Interior and Insular Affairs.

By Mr. MARAZITI (for himself and Mr. KEMP):

H.R. 4645. A bill to promote the employment of unemployed Vietnam veterans; to the Committee on Ways and Means.

By Mr. MATSUNAGA:

H.R. 4646. A bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act, to provide that meat or poultry, as the case may be, which is inspected in a facility subject to State inspection shall be eligible for distribution in commerce in the same manner as meat or poultry which is inspected in a facility subject to Federal inspection; to the Committee on Agriculture.

H.R. 4647. A bill to extend the traineeship program for professional public health personnel, and project grants for graduate training in public health under the Public Health Service Act; to the Committee on Interstate and Foreign Commerce.

H.R. 4648. A bill to exclude from gross income the first $750 of interest received on deposits in certain financial institutions; to the Committee on Ways and Means.

By Mr. MELCHER (for himself, Mr. ADAMS, Mr. ADDABBO, Mr. ASHLEY, Mr. DOMINICK V. DANIELS, Mr. DELLENBACK, Mr. FAUNTROY, Mr. WILLIAM D. FORD, Mr. FRASER, Mr. FOLEY, Mr. FULTON, Mr. GUDE, Mr. GUNTER, and Mr. GIAIMO):

H.R. 4649. A bill to amend the Budget and Accounting Act of 1921 to require the advice and consent of the Senate for appointments to Director of the Office of Management and Budget; to the Committee on Government Operations.

By Mr. MELCHER (for himself, Mr. HAWKINS, Mr. HEINZ, Mr. JONES of North Carolina, Mr. MANN, Mr. McCLOSKEY, Mr. McKAY, Mrs. MINK, Mr. MORGAN, Mr. MURPHY of Illinois, Mr. OWENS, Mr. ROUSH, Mr. RYAN, Mr. STARK, Mr. STOKES, Mr. THORNTON, Mr. WALDIE, Mr. YATES, Mr. CHARLES WILSON of Texas):

H.R. 4650. A bill to amend the Budget and Accounting Act of 1921 to require the advice and consent of the Senate for appointments to Director of the Office of Management and Budget; to the Committee on Government Operations.

By Mr. MEEDS:

H.R. 4651. A bill to amend the Mineral Lands Leasing Act of 1920; to the Committee on Interior and Insular Affairs.

By Mr. MEEDS (for himself, Mr. WOLFF, Mr. FOLEY, Mr. STOKES, Mr. MATSUNAGA, Mrs. SCHROEDER, Mr. KOCH, Mr. ROY, Ms. ABZUG, Mr. OWENS, and Mr. STARK):

H.R. 4652. A bill to amend the Economic Opportunity Act of 1964 to authorize a legal services program by establishing a National Legal Services Corporation, and for other purposes; to the Committee on Education and Labor.

By Mr. MURPHY of New York:

H.R. 4653. A bill to terminate the oil import control program; to the Committee on Ways and Means.

By Mr. MURPHY of New York (for himself, Mr. DENT, Mr. BRASCO, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Mr. PODELL, Mr. HARRINGTON, Mr. WON PAT, Mr. YATRON, Mr. EILBERG, Mr. WARE, Mr. NEDZI, Mr. BINGHAM, Mr. SARBANES, Mrs. CHISHOLM, Ms. ABZUG, Mr. STARK, and Mr. STOKES):

H.R. 4654. A bill to amend the Interstate Commerce Act to authorize issuance of safety regulations for certain private carriers of passengers, including operators of schoolbuses, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. NATCHER:

H.R. 4655. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. NEDZI:

H.R. 4656. A bill to provide that, in the case of the death of a petitioner on any approved petition for preference status under paragraph (1), (2), (4), or (5) of section 203(a) of the Immigration and Nationality Act, the alien beneficiary will be allowed a period of 60 days from the date of such death to become the beneficiary of another petition without losing his preference status, and for other purposes; to the Committee on the Judiciary.

H.R. 4657. A bill to amend title 38 of the United States Code in order to provide that partial disability and death pension be paid in the case of persons whose annual income exceeds the annual income limitations by an amount not in excess of the minimum amount of pension payable in 1 year; to the Committee on Veterans' Affairs.

H.R. 4658. A bill to prohibit most-favored-nation treatment and commercial and guarantee agreements with respect to any nonmarket economy country which denies to its citizens the right to emigrate or which imposes more than nominal fees upon its citizens as a condition to emigration; to the Committee on Ways and Means.

By Mr. OBEY:

H.R. 4659. A bill to amend the Public Works and Economic Development Act of 1965; to the Committee on Public Works.

By Mr. OBEY (for himself, Mr. MITCHELL of Maryland, Mr. HILLIS, and Mr. MATSUNAGA):

H.R. 4660. A bill to amend titles II and XVIII of the Social Security Act to include qualified drugs, requiring a physician's prescription or certification and approved by a formulary committee, among the items and services covered under the hospital insurance program; to the Committee in Ways and Means.

By Mr. PICKLE (for himself, Mr. SARBANES, Mr. HARRINGTON, Mr. WILLIAM D. FORD, Miss JORDAN, Mrs. SCHROEDER, Miss HOLTZMAN, Mr. MATSUNAGA, Mr. STARK, and Mr. CULVER):

H.R. 4661. A bill to require the President to notify the Congress whenever he impounds funds, or authorizes the impounding of funds, and to provide a procedure under which the House of Representatives and the Senate may approve the President's action or require the President to cease such action; to the Committee on Rules.

By Mr. PERKINS:

H.R. 4662. A bill to amend the Railroad Retirement Act of 1937 to provide a 20-percent increase in annuities, with further increases based on rises in the cost of living; to the Committee on Interstate and Foreign Commerce.

H.R. 4663. A bill to amend the Railroad Retirement Act of 1937 to provide that any railroad employee may retire on full annuity at age 55 with 30 years' service, and to provide for payment of full spouse's annuities at age 55 (or reduced spouse's annuities at age 52); to the Committee on Interstate and Foreign Commerce.

H.R. 4664. A bill concerning the allocation of water pollution control funds among the States in fiscal 1973 and fiscal 1974; to the Committee on Public Works.

H.R. 4665. A bill to amend title 38 of the United States Code to provide that monthly social security benefit payments shall not be considered to be income for the purpose of determining eligibility for a pension under that title; to the Committee on Veterans' Affairs.

By Mr. RANDALL:

H.R. 4666. A bill to provide price support for milk at not less than 85 percent of the parity price therefor; to the Committee on Agriculture.

H.R. 4667. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBISON of New York (for himself, Mr. KETCHUM, and Mr. WHITEHURST):

H.R. 4668. A bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to extend for 3 years the provisions for full Federal payment of relocation and related costs for victims of Hurricane Agnes and of certain other major disasters; to the Committee on Public Works.

By Mr. ROE:

H.R. 4669. A bill to amend the Immigration and Nationality Act to make additional immigrant visas available for immigrants from certain foreign countries, and for other purposes; to the Committee on the Judiciary.

By Mr. RUNNELS:

H.R. 4670. A bill to remove certain limitations on annual operation and maintenance expenditures applicable to the U.S. section of the International Boundary and Water

Commission, United States and Mexico, and for other purposes; to the Committee on Foreign Affairs.

By Mr. SATTERFIELD:

H.R. 4671. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

H.R. 4672. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for removal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

H.R. 4673. A bill to extend the Clean Air Act, as amended, for 1 year; to the Committee on Interstate and Foreign Commerce.

H.R. 4674. A bill to extend the Solid Waste Disposal Act, as amended, for 1 year; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHNEEBELI (for himself, Mr. COLLIER, Mr. BROYHILL of Virginia, Mr. CONABLE, Mr. CHAMBERLAIN, Mr. PETTIS, Mr. DUNCAN, Mr. BROTZMAN, Mr. CLANCY, and Mr. ARCHER):

H.R. 4675. A bill to amend section 112, 692, 6013, and 7508 of the Internal Revenue Code of 1954 for the relief of certain members of the Armed Forces of the United States returning from the Vietnam conflict combat zone, and for other purposes; to the Committee on Ways and Means.

By Mr. SEIBERLING:

H.R. 4676. A bill to amend section 5042(a)(2) of the Internal Revenue Code of 1954 to permit individuals who are not heads of families to produce wine for personal consumption; to the Committee on Ways and Means.

By Mr. SISK (for himself, Mr. MATHIAS of California, and Mr. KETCHUM):

H.R. 4677. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the initial phase of the East Side division; initial phase of the Cosumnes River division; the Allen Camp unit, Pit River division; and the Peripheral Canal, Delta division; Central Valley project, Calif.; and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STAGGERS:

H.R. 4678. A bill to protect hobbyists against the reproduction or manufacture of imitation hobby items and to provide additional protections for American hobbyists; to the Committee on Interstate and Foreign Commerce.

H.R. 4679. A bill to provide that service performed by prevailing rate employees before conversion to wage schedules under the amendments made by the act of August 19, 1972, shall be counted for all step-increases under the time in step provisions of section 5343(e)(2) of title 5, United States Code, as amended by such act; to the Committee on Post Office and Civil Service.

H.R. 4680. A bill to extend to certain recipients of annuity or pension under the Railroad Retirement Act the treatment accorded to certain social security recipients under section 249E of the Social Security Amendments of 1972; to the Committee on Ways and Means.

By Mr. STAGGERS (by request):

H.R. 4681. A bill to authorize appropriations to assist in financing the Arctic Winter Games to be held in the State of Alaska in 1974; to the Committee on Interstate and Foreign Commerce.

By Mr. STRATTON:

H.R. 4682. A bill to provide for the immediate disposal of certain abaca and sisal cordage fiber now held in the national stockpile; to the Committee on Armed Services.

By Mr. SYMMS (for himself and Mr. HANSEN of Idaho):

H.R. 4683. A bill to amend the Admission Act for the State of Idaho to permit that State to exchange public lands and to use the proceeds derived from public lands for maintenance of those lands; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of New Jersey:

H.R. 4684. A bill to amend section 302(c) of the Labor-Management Relations Act, 1947, to permit employer contributions for joint industry promotion of products in certain instances; to the Committee on Education and Labor.

By Mr. WALDIE:

H.R. 4685. A bill to discourage experimentation on animals by elementary and secondary schoolchildren; to the Committee on Education and Labor.

H.R. 4686. A bill to enlarge the Redwood National Park; to the Committee on Interior and Insular Affairs.

By Mr. WHITEHURST:

H.R. 4687. A bill to designate certain lands as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. WHITEHURST (for himself, Mr. BROWN of California, Mr. BUCHANAN, Mr. FRENZEL, Mr. GUDE, Mr. HECHLER of West Virginia, Mr. MAZZOLI, Mr. MOSS, Mr. SARBANES, Mr. STARK, Mr. STEPHENS, and Mr. STUCKEY):

H.R. 4688. A bill to amend the Horse Protection Act of 1970, to provide for criminal sanctions for any person who interferes with any person while engaged in the performance of his official duties under this act, and to change the authorization of appropriations; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITEHURST (for himself, Mr. DERWINSKI, Mr. HARRINGTON, Mr. KEMP, Mr. MAZZOLI, Mr. MELCHER, Mr. MOAKLEY, Mr. PARRIS, Mr. PRICE of Illinois, Mr. PREYER, Mr. WON PAT, and Mr. WOLFF):

H.R. 4689. A bill to provide assistance in improving zoos and aquariums by creating a National Zoological and Aquarium Corporation, and for other purposes; to the Committee on House Administration.

By Mr. WHITEHURST (for himself, Ms. ABZUG, Mr. BAKER, Mr. BIESTER, Mr. BUCHANAN, Mr. DERWINSKI, Mr. HELSTOSKI, Mr. KEMP, Mr. MAZZOLI, Mr. MOAKLEY, Mr. MURPHY of Illinois, Mr. PEPPER, Mr. PIKE, Mr. PREYER, Mr. PRICE of Illinois, Mr. SARBANES, Mrs. SCHROEDER, Mr. BOB WILSON, and Mr. WOLFF):

H.R. 4690. A bill to create a fund in the Treasury of the United States to be known as the Fund for Endangered Wildlife, to be administered by the Department of Interior, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WHITTEN:

H.R. 4691. A bill to provide price supports for milk and dairy products, and for other purposes; to the Committee on Agriculture.

H.R. 4692. A bill to provide for orderly trade in textile articles and articles of leather footwear, and for other purposes; to the Committee on Ways and Means.

By Mr. BOB WILSON:

H.R. 4693. A bill to amend chapter 15 of title 38, United States Code, to provide for the payment of pensions to World War I veterans and their widows, subject to $3,000 and $4,200 annual income limitations; to provide for such veterans a certain priority in entitlement to hospitalization and medical care; and for other purposes; to the Committee on Veterans' Affairs.

H.R. 4694. A bill to amend title 38 of the United States Code increasing income limitations relating to payment of disability and death pension, and dependency and indemnity compensation; to the Committee on Veterans' Affairs.

By Mr. CHARLES H. WILSON of California:

H.R. 4695. A bill to terminate the oil import control program; to the Committee on Ways and Means.

By Mr. WON PAT:

H.R. 4696. A bill to amend the act of November 20, 1963, placing certain submerged lands within the jurisdiction of the governments of Guam, the Virgin Islands, and American Samoa, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ZWACH:

H.R. 4697. A bill to provide increases in certain annuities payable under chapter 83 of title 5, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BAFALIS (for himself, Mr. FROEHLICH, Mr. KETCHUM, and Mr. SHOUP):

H.J. Res. 368. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mr. DINGELL (for himself and Mr. HANNA):

H.J. Res. 369. Joint resolution to establish the Tule Elk National Wildlife Refuge; to the Committee on Merchant Marine and Fisheries.

By Mr. DINGELL (for himself, Mr. LEGGETT, Mr. COHEN, and Mr. TREEN):

H.J. Res. 370. Joint resolution amending the Fishermen's Protective Act of 1967 to insure the safety of U.S. commercial fishing vessels, crews, and equipment against illegal harassment and seizure; to the Committee on Merchant Marine and Fisheries:

By Mr. MARAZITI:

H.J. Res. 371. Joint resolution designating a "National Day of Recognition and Prayer" to honor those Americans killed in the Vietnam conflict; to the Committee on the Judiciary.

By Mr. PARRIS:

H.J. Res. 372. Joint resolution proposing an amendment to the Constitution of the United States with respect to the reconfirmation of Federal judges after a term of 8 years; to the Committee on the Judiciary.

By Mr. ROUSH:

H.J. Res. 373. Joint resolution authorizing the President to proclaim the third Monday in June of each year as "National Little League Day"; to the Committee on the Judiciary.

By Mr. ROUSSELOT (for himself, Mr. BAFALIS, Mr. BAKER, Mr. COLLINS, Mr. CRANE, Mr. DERWINSKI, Mr. SPENCE, and Mr. SYMMS):

H.J. Res. 374. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mr. SEIBERLING:

H.J. Res. 375. Joint resolution proposing an amendment to the Constitution of the United States to provide for mandatory retirement of Members of Congress and the Federal judiciary; to the Committee on the Judiciary.

By Mr. WHITEHURST:

H.J. Res. 376. Joint resolution to establish the Tule Elk National Wildlife Refuge; to the Committee on Merchant Marine and Fisheries.

By Mr. WIGGINS:

H.J. Res. 377. Joint resolution authorizing the President to proclaim the period April 23 through April 28, 1973, as "Schoolbus Safety Week"; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H.J. Res. 378. Joint resolution requesting the President to issue a proclamation designating the week of April 23, 1973, as "Nicolaus Copernicus Week" marking the quinquecentennial of his birth; to the Committee on the Judiciary.

By Mr. DENT:

H. Con. Res. 124. Concurrent resolution providing recognition for Columbus; to the Commitee on House Administration.

By Mr. WHITEHURST:

H. Con. Res. 125. Concurrent resolution expressing the sense of the Congress with respect to the establishment of international criteria for endangered species of wildlife and the establishment of international humane standards; to the Committee on Foreign Affairs.

By Mr. BROWN of California (for himself, Ms. ABZUG, Mr. BURTON, Mrs. CHISHOLM, Mr. CLAY, Mr. CONYERS, Mr. CORMAN, Mr. DANIELSON, Mr. DELLUMS, Mr. DIGGS, Mr. DRINAN, Mr. FRASER, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. OWENS, Mr. STARK, Mr. THOMPSON of New Jersey, Mr. CHARLES H. WILSON of California, Mr. WOLFF, Mr. WON PAT, and Mr. YOUNG of Georgia):

H. Res. 242. Resolution authorizing each Member of the House to sue on behalf of the House with respect to funds illegally impounded by the President which would otherwise be available for programs and projects in that Member's district; to the Committee on the Judiciary.

By Mr. HARRINGTON (for himself, Ms. ABZUG, Mr. BADILLO, Mr. BELL, Mr. BIESTER, Mr. BRADEMAS, Mr. BROWN of California, Mr. BURKE of Massachusetts, Mr. BURTON, Mr. CHAPPELL, Mrs. CHISHOLM, Mr. CLAY, Mr. CORMAN, Mr. COUGHLIN, Mr. CRONIN, Mr. DELLENBACK, Mr. DELLUMS, Mr. DE LUGO, Mr. DENHOLM, Mr. DENT, Mr. DIGGS, Mr. DRINAN, Mr. DU PONT, Mr. ECKHARDT, and Mr. EILBERG):

H. Res. 243. Resolution providing for two additional student congressional interns for Members of the House of Representatives, the Resident Commissioner from Puerto Rico, and each Delegate to the House, and for other purposes; to the Committee on House Administration.

By Mr. HARRINGTON (for himself, Mr. ESCH, Mr. FAUNTROY, Mr. FRASER, Mr. FRENZEL, Mr. FROEHLICH, Mr. GIBBONS, Mrs. GRASSO, Mr. GRAY, Mr. HANSEN of Idaho, Mr. HAWKINS, Mr. HECHLER of West Virginia, Miss HOLTZMAN, Mr. HORTON, Mr. KASTENMEIER, Mr. KEMP, Mr. LEGGETT, Mr. LUJAN, Mr. MCCORMACK, Mr. MCKINNEY, Mr. MACDONALD, Mr. MATSUNAGA, Mr. METCALFE, Mrs. MINK, and Mr. MITCHELL of Maryland):

H. Res. 244. Resolution providing for two additional student congressional interns for Members of the House of Representatives, the Resident Commissioner from Puerto Rico, and each Delegate to the House, and for other purposes; to the Committee on House Administration.

By Mr. HARRINGTON (for himself, Mr. MOAKLEY, Mr. MOSHER, Mr. NEDZI, Mr. PEPPER, Mr. PODELL, Mr. POWELL of Ohio, Mr. PRITCHARD, Mr. REID, Mr. RIEGLE, Mr. ROSENTHAL, Mr. ROY, Mr. SEIBERLING, Mr. STARK, Mr. STOKES, Mr. THONE, Mr. VANDER JAGT, Mr. WALDIE, and Mr. WOLFF):

H. Res. 245. Resolution providing for two additional student congressional interns for Members of the House of Representatives, the Resident Commissioner from Puerto Rico, and each Delegate to the House, and for other purposes; to the Committee on House Administration.

By Mrs. SULLIVAN:

H. Res. 246. Resolution to provide funds for the expenses of the investigations and study authorized by House Resolution 187; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

44. The SPEAKER presented a memorial of the Legislature of the State of Idaho, relative to the use of toxic material in the control of predators; to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H.R. 4698. A bill for the relief of Herman R. Klun and Helen Klun; to the Committee on the Judiciary.

By Mr. CHAPPELL:

H.R. 4699. A bill for the relief of Ramona Castro Flores Vda. de Guzman; to the Committee on the Judiciary.

By Mr. CORMAN:

H.R. 4700. A bill for the relief of Mrs. Rita Chelnek; to the Committee on the Judiciary.

By Mr. DONOHUE:

H.R. 4701. A bill for the relief of Antonio Corapi; to the Committee on the Judiciary.

By Mr. McSPADDEN:

H.R. 4702. A bill to authorize the President to issue posthumously to the late John Wayne Latchum a commission as a second lieutenant in the Regular Army; to the Committee on Armed Services.

By Mr. MURPHY of New York:

H.R. 4703. A bill for the relief of Rocco and Rosa Alfonzetti; to the Committee on the Judiciary.

By Mr. RODINO (by request):

H.R. 4704. A bill for the relief of certain former employees of the Securities and Exchange Commission; to the Committee on the Judiciary.

By Mr. VAN DEERLIN:

H.R. 4705. A bill for the relief of Mr. Ismael Bautista Corona; to the Committee on the Judiciary.

By Mr. VEYSEY:

H. Res. 247. Resolution to refer the bill (H.R. 4450 entitled "A bill to clear and settle title to certain real property located in the vicinity of the Colorado River in Riverside County, Calif." to the Chief Commissioner of the Court of Claims; to the Committee on Interior and Insular Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII,

54. The SPEAKER presented petition of the board of directors, Oklahoma Municipal League, Oklahoma City, relative to Federal aid for highways; to the Committee on Public Works.

SENATE—*Thursday, February 22, 1973*

The Senate met at 11:30 a.m. and was called to order by Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine.

PRAYER

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

O God, who has made us in Thine own image and given us the gift of thought and mediation that we may be able to understand the meaning of life and human destiny, be with us now, as with reverent hearts and receptive spirits we draw near to Thee to receive the illumination we need for this day and its tasks. We thank Thee for every word Thou has spoken to us and art speaking today in nature, in history, in the Bible, in the church, and in our daily experience. We thank Thee most of all for the Word made flesh and lived among us. Help us to understand what we see in Him. May His mind be in our minds; His will become our will; His kingdom come in our hearts and expressed in our lives.

In Thy holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 22, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HATHAWAY thereupon took the chair as Acting President pro tempore.

REPORTS OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of February 21, 1973, the following reports of a committee were submitted on February 21, 1973, during the adjournment of the Senate:

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

S. Res. 44. Resolution authorizing additional expenditures by the Committee on Labor and Public Welfare for inquiries and investigations (Rept. No. 93–41);

S. Res. 54. Resolution authorizing additional expenditures by the Committee on Armed Services for routine purposes (Rept. No. 93–42); and

S. Res. 55. Resolution authorizing additional expenditures by the Committee on Armed Services for inquiries and investigations (Rept. No. 93–40).