

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for Monday is as follows:

The Senate will convene at 12 o'clock meridian.

After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, in the order stated, each for not to exceed 15 minutes:

Mr. HELMS, Mr. STAFFORD, Mr. GRIFFIN, and Mr. ROBERT C. BYRD.

At the conclusion of the orders for recognition of Senators on Monday, there will be a period for the transaction of routine morning business of not to exceed

30 minutes, with statements therein limited to 3 minutes.

The Senate on Monday will take up S. 1021, a bill having to do with the costs of any cooperative meat or poultry inspection program, and S. 1235, a bill which would authorize an additional appropriation for an International Center for Foreign Chanceries, but not necessarily in that order. Yea-and-may votes could occur on Monday.

ADJOURNMENT UNTIL MONDAY

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come

before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 o'clock meridian on Monday next.

The motion was agreed to, and at 5:51 p.m., the Senate adjourned until Monday, April 2, 1973, at 12 meridian.

NOMINATIONS

Executive nominations received by the Senate March 29, 1973:

DEPARTMENT OF STATE

Marshall Wright, of Arkansas, a Foreign Service officer of class 2, to be an Assistant Secretary of State.

EXTENSIONS OF REMARKS

REMARKS ON THE PASSING OF
SENATOR WILLIAM BENTON

HON. ROBERT H. STEELE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. STEELE. Mr. Speaker, I would like to take this opportunity to express great sorrow at the passing of former U.S. Senator William B. Benton on March 18, 1973, and pay tribute to this devoted educator and statesman.

In 1929, Mr. Benton launched his advertising agency with his close friend, former Gov. Chester B. Bowles. When he sold his interest 9 years later, the agency had grown into the sixth largest in the world.

When Mr. Bowles was Governor of Connecticut in 1949, he appointed Mr. Benton to fill a Senate vacancy created by the resignation of Senator Raymond E. Baldwin, who became chief justice of the State supreme court. In 1950, Mr. Benton defeated Republican Prescott S. Bush by 1,100 votes in a special election which enabled him to retain his seat in the Senate until 1953.

Senator Benton was a vigorous supporter of the United Nations, NATO, and the administration's foreign aid program. Despite the silence of most of his colleagues, he introduced a Senate resolution denouncing Senator Joseph McCarthy at the height of the latter's popularity.

Appointed Assistant Secretary of State in 1945, Mr. Benton organized the first peacetime program of international information, including Voice of America broadcasts, U.S. Information Offices overseas and student exchanges.

President John F. Kennedy appointed Mr. Benton as the first U.S. Ambassador to UNESCO in 1961, a post which he held for 3 years.

Earlier in his career of public service, Mr. Benton served as vice president of the University of Chicago. While at the university, he helped launch two network radio programs, "The University of Chicago Radio Round Table," a seminar on political, economic and social issues, and "The Human Adventure," which dealt with university research.

In 1945, he was named assistant to the chancellor at Chicago and consequently was named a university trustee, a post he held to his death. He also was a trustee at Carleton College, the University of Bridgeport, the University of Connecticut, Hampton Institute, and Brandeis University.

Additionally, Mr. Speaker, I submit the following editorial published in the Hartford Times on March 20, 1973, for the RECORD:

[From the Hartford Times, Mar. 20, 1973]

It was a happy coincidence that Chester Bowles and Bill Benton were students at Yale University at the same time. Their friendship produced two statesmen whose services were significant to Connecticut and the nation.

Their partnership in an advertising agency made them financially independent while they were still young. In the many offices, both elective and appointive, they held during their public lives, they were free of the responsibilities of earning a living and providing for their families. When a call to service came along, each of them could consider it on its merits.

Early in his career of public service, Bill Benton associated himself with education. His connection with the University of Chicago, among others in higher education, made him known in national affairs and enabled him to attract offers from government.

Except in Connecticut, Mr. Benton's name probably is not widely recognized outside business circles. Yet he exerted significant influence on the nation and the world.

He was the first United States senator to call for the resignation or censure of the demagogic Joe McCarthy of Wisconsin. He was an assistant secretary of state, and in that post he organized the Voice of America and helped establish UNESCO—two accomplishments whose effects will outlive his generation.

As a citizen of Connecticut, he was an able United States Senator and was generous with his time and talents in behalf of the University of Connecticut and the University of Bridgeport, among other institutions. His art benefactions are remembered in the art museum of the University of Connecticut, which last year was named for Mr. Benton.

Bill Benton's story is not the Horatio Alger cliché. Though he achieved financial success early in life and thereafter was not primarily interested in making money, he had a kind of Midas touch, a feeling for a good investment at the right time.

He has been praised for his political courage—in attacking McCarthy at the high tide

of the other senator's popularity, for instance. His courage also displayed itself in decisions affecting his personal life. It took courage to refuse a Rhodes scholarship in favor of going into the advertising business, and it took courage to buy Encyclopedia Britannica when encyclopedia salesmen were joked about as pests.

It is safe to predict that his obituaries are not the last word on Bill Benton. His stature and reputation will surely attract biographers, and posterity may know him even better than do we, his contemporaries.

NATURAL RESOURCES AND NATIONAL PRIORITIES

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Thursday, March 29, 1973

Mr. METCALF. Mr. President, for 4 days last week, Washington was the host for an important Conference on the Environment that was attended by 1,400 representatives from across the United States, Canada, Mexico, and Europe—the 38th North American Wildlife and Natural Resources Conference, sponsored by the Wildlife Management Institute.

In his remarks at the opening session of the conference on March 19, 1973, Mr. Daniel A. Poole, president of the Wildlife Management Institute, has directed our attention to the important topic of natural resources and national priorities, the theme of the conference.

Though the theme was chosen months ago, its timing could not have been better, so Mr. Poole's remarks concerning natural resources should be of considerable interest, especially at a time when the Nixon administration, in conflict with the role of the Congress, claims the sole prerogative of determining national priorities.

His remarks should also be notable because of President Nixon's budget proposals for fiscal year 1974, the category of natural resources and environment is among the lowest ranking of the 14 major budget classifications by function. Only two other categories receive a smaller share of the Federal budget.

I ask unanimous consent that Mr. Poole's speech be printed in the RECORD.

There being no objection, the speech

was ordered to be printed in the RECORD, as follows:

WILDLIFE MANAGEMENT INSTITUTE,
Washington, D.C.

Welcome to the 38th North American Wildlife and Natural Resources Conference.

The Conference theme—Natural Resources and National Priorities—was not selected deliberately to capitalize on the current Washington crossfire over executive and legislative prerogatives. The theme was chosen many months ago, but its timing could not be better.

The interest of conservationists, environmentalists, resource specialists, and their allies—in short, of all of us—is caught up in the President's argument with Congress, or the Congress' argument with the President, or however one happens to see it. The outcome will contribute little to our mutual interest if it fails to produce procedures for establishing priorities and assuring their sustained support.

Environmental renovation, enhancement, and protection will continue to be piecemeal without fundamental reform. This is unavoidable because both the Executive and Legislative Branches lack policies and procedures to assure coordinated response to environmental and conservation needs and opportunities. This is not said in criticism of any individual, of Congress, or of the Administration. It is a fact of life to anyone who has served an apprenticeship in the nation's capitol.

Executive agencies lack comprehensive, long-term environmental objectives. Most have scant understanding of what is expected of them in terms of a coordinated, national approach. Their inclination is to ride out their luck in four-year strings, to react to conservation and environmental problems and opportunities in terms of single agency missions. This sometimes involves the process of wetting one's finger, testing the political wind, and riding off in a favorable direction. The environmental impact statement process, although still being refined, has helped to broaden the agencies' environmental horizons. Much obviously remains to be done.

This piecemeal approach is encouraged by the situation in Congress where committee jurisdictions lack the flexibility to encourage an ecological approach to resources and environmental management. Authorizations and appropriations are handled by separate committees, and the members of each rarely have equal grasp of the purpose, need and relative importance of program elements. And, in the absence of national environmental priorities, both lack a yardstick for evaluating programs and budget requests. The functional structure of Congress contributes to the irregular and sometimes adversary consideration of environmental and conservation issues.

Standing squarely between the agencies and Congress is the Office of Management and Budget, where largely inaccessible persons, acting for the Administration, cut and shape programs to an economic template entirely of their own. When there are budget constraints, as there are this year, OMB's cutting and fitting challenge environmental credibility. Budgeteering treats only of dollars. It forces programs to conform to fund ceilings, a physical division of the pie. But it requires no tough-minded analysis and justification of programs for which money is requested. If it did, we would not be faced with continued substantial federal encouragement of environmental degradation, as will be the case in the coming fiscal year.

Of the fourteen listed major budget categories for fiscal year 1974, the natural resources and the environment function is in next to last place, tied with international affairs and finance in its percentage claim

of the federal dollar. And nearly half of the money in the natural resources and the environment account is allocated for water resources and power, activities that do not always get high marks in the conservation and environmental marketplace. There are some pluses in the agriculture and rural development account, but two-thirds of the funds requested there are for farm income stabilization. Little is for protecting the basic soil and water base.

Some of these issues may be sharpened in Wednesday's general session when the Assistant Director of the Office of Management and Budget addresses the subject of justifying budget priorities. Other speakers will explore federal and state agency organization in respect to establishing priorities in resource management.

These are important and timely subjects, for it is becoming increasingly clear that environmental goals cannot be achieved readily by more of today's hit or miss approaches. Our recognition of the need for a better response exceeds our current capability to attain it.

Resources and environmental programs cannot be turned on and off like a water tap. They are long term and continuing in nature. They should be buffered from the vandalism of short-term expedience. Successful discharge of environmental responsibility requires a factual data base, determination of priorities, coordinated planning, and professional execution. Adequate and continuing funding is needed at every level to see programs through to their stated objectives.

If one accepts the thesis that national outlay over time should bear a relationship to national income, then serious questions can be raised about budget constraints in fiscal year 1974. Will available money be invested in programs that contribute to greatest environmental gain? I think not. The same question holds for those who may suggest that government perennially can run in the red. No amount of money will get the environmental job done if it is squandered, rather than invested.

Without better definition of priorities there is no rationale for understanding either an Administration's budget requests or a Congress' actions on appropriations. Until priorities are determined and firmly established, we lack a means for measuring progress. What actually is being achieved in terms of the environment as a whole?

In his recent environmental message to Congress, President Nixon said, "It is appropriate that this topic be the first of our substantive policy discussions in the State of the Union presentation, since nowhere in our national affairs do we have more gratifying progress, no more urgent problems."

The President enumerated substantive legislation in the areas of air and water quality, pesticides control, noise abatement and ocean dumping, coastal zoning, the National Environmental Policy Act, parks, recreation areas, wildlife refuges and wilderness, and regulations regarding oil and other spills in ports and waterways.

The record is impressive. But is the progress that has been made more in the laying of a foundation than in erecting a building? The boards and nails and wiring for environmental reconstruction largely are missing. Funds are not being sought to finance new activities at anywhere near projected levels. Old projects are withering on the vine. The outlook for fiscal 1975 is equally dim. If progress is being made against the tide of environmental deterioration, it mainly may be in standing still, in not being swept away.

For example, the most recent report on Fish Kills by Pollution, an annual service report begun in 1960 and issued by the Environmental Protection Agency, advises that "The number of fish reported killed by pol-

lution in 1971 is greater by 81 percent than the number reported in any previous year on record. The data do not indicate whether this is due to better reporting by a concerned public or to greater fish kills."

Contrast that ambivalent conclusion with the more recently released results of a statewide water pollution survey by Maryland health and natural resources agencies. There, one-third of the 128 sewage treatment plants presently are not complying with the state's anti-pollution laws. One-fifth of nearly 900 businesses known to discharge industrial waste do not meet the state's water quality regulations. State and federal installations are among the violators.

In his message, the President recommended many new programs for managing the land, for improving agriculture, controlling pollution, and protecting our natural heritage. Some, like a national land use policy, control over the siting of power plants, public lands management, mining and mineral leasing reform, mined area protection, and endangered species protection, are vital. Others, like adjustment of Land and Water Conservation Fund allocations, are highly controversial. Controversial, too, are administrative decisions which are directing more and more of the limited outdoor recreation money into metropolitan situations and uses to which the Land and Water Conservation Fund never was intended. Abolition of the Open Space Grants of the Department of Housing and Urban Development places even greater pressure on the Fund. And in face of all of this, appropriations to the Fund would be greatly reduced under the 1974 budget request. Despite great need, the money cannot be fully used, we are told. Incredibly, hundreds of millions of dollars of land acquisitions are going unserved in new park and recreation area authorizations. And older, established areas, including wilderness, are spotted with incompatible inholdings and developments. Senate oversight hearings will be held on this subject in early April.

Some question the breaking of new ground if older, equally fertile, and already broken ground remains unseeded. There is reason to ask if new authorities will receive any stronger support than older and equally needed authorities are receiving today. To continue with this environmental roulette may impart a sense of motion, certainly not an unwelcome illusion in our political system, but will it help the train get away from the station?

My remarks, to some, may sound unduly pessimistic or critical. They are not offered in that vein. Many elements of our environmental fix have their origins in the distant past. I do not imply either that today's leaders are unmindful of the many contradictions and inadequacies. My purpose is not to throw stones. Instead, it is to express the hope and to urge that our people's concern for their environment not be dissipated on frivolous or superficial things. Let's insist that their energies and enthusiasms be used in ways and places to overcome entrenched impediments to substantial environmental gain.

Among the most reliable barometers of the state of the environment are fish and wildlife. Man's use of water, soil, air and plants has a direct influence on the distribution, diversity, and abundance of these habitat-dependent creatures.

Tomorrow morning at a special session, Dr. Durward L. Allen of Purdue University will set before this Conference a new North American Wildlife Policy Report, the second but much broader focus on this subject. The Conference program has been arranged to enable all conferees to attend and participate in the discussion. Everyone who has registered already has received a copy of the report.

The Conference is deeply indebted to Durward and to the members of his working and

honorary committees. There has been a labor of devotion. An undertaking of this magnitude takes many hours out of the busy schedules of the committee's chairman and its members. But Durward and his associates believe their assignment to hold the greatest urgency, for the sole previous policy, with its sound advice, was published more than four decades ago.

Certainly, it is unrealistic to presume that all parts of the 1973 wildlife policy report will receive unanimous agreement. But there is acute need to refocus professional and public thinking and action. In fact, the welcome but sometimes misguided public enthusiasm for wildlife today, suggests that our profession has been negligent in keeping the public acquainted with the necessity for and the positive aspects of all facets of wildlife management.

The report undoubtedly will be the subject of much discussion in coming months. Perhaps it may be possible to give further consideration to these policy matters at the 1976 Conference here in Washington. A joint bicentennial observation of our interest in resource conservation is being planned by major conservation and professional groups that year.

A final point about wildlife concern. Under this country's leadership, and with fine support from friends Russ Train, Nat Reed, and others, a convention has been concluded on world traffic in endangered and threatened species. It also importantly commits nations to uphold the conservation laws of other countries—an international application of the Lacey Act, in effect.

The Convention also stipulates that the Secretariat, which will be placed in the U.N. Environmental Program, shall convene occasional wildlife meetings. The U.S. 1969 Endangered Species Act also authorizes the Secretary of the Interior to provide technical assistance to nations desiring such help.

Last fall, I attended three international meetings—that of the IUCN, the Second World Parks Conference, and the 7th World Forestry Congress—at which individuals with substantial wildlife interest were in attendance. Some penetrating questions were asked, particularly by representatives from developing nations where wildlife and their habitat are under extreme pressure from population expansion and economic development. At no meeting did these questions receive adequate attention or answers. Program schedules did not permit it, and, in some cases, the required expertise was not available. The result is that development and habitat alteration are proceeding with minimum or no consideration for either flora or fauna.

Perhaps the time is at hand to convene a World Wildlife Conference, a conference that treats of animals and their habitats as distinct entities rather than adjuncts of other but not-well-focused social and resource considerations. The interest of wildlife demands the attention of the wildlife profession, and much more is involved than biological and ecological considerations.

CANADA CONTINUES TO PARTICIPATE IN ICCS

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. LEGGETT. Mr. Speaker, yesterday afternoon the State Department was informed that Canada will continue its participation on the International Com-

mission for Control and Supervision of the Vietnam Peace Agreement.

External Minister Sharp of Canada has stated that Canadian members of the ICCS will remain in place for at least 60 days more, after which Canada will give 30 days' notice of any intention to terminate her participation. In effect, this announcement commits Canada to participate in the ICCS at least until June 26 of this year.

Mr. Speaker, the people of the United States owe a debt of gratitude to our Canadian neighbors for their activities in this area. Serving on the ICCS is not an easy thing; indeed, Minister Sharp stated in his announcement that Canada was staying on with the expectation that things would improve, and that her continued presence would depend on that improvement. This is not an unreasonable position, for no one could expect any government to expend the effort that Canada has for the sake of mere window-dressing.

Canada's obvious concern for peace in Southeast Asia parallels our own; for this reason, I am indeed glad that she has seen fit to continue her efforts toward that end.

THE CUBA SYNDROME

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1973

Mr. RARICK. Mr. Speaker, there seems to be a concerted effort afoot to condition the thinking of American people into accepting "normalizing relations" with Communist Cuba and its dictator, Castro. This mental conditioning is occurring in so-called newstories, magazines, sermons, and common talk on the street. It follows the equality syndrome and seeks to justify itself as progress.

The line goes, "I don't believe in trading and normalizing relations with Russia and Red China or giving aid to North Vietnam, but since the President has already done this, then I feel that all Communists should be treated equally and we should give similar recognition to Cuba." The past is completely forgotten.

Present conditions in these countries, including their sophisticated weapons and the thousands of divisions of troops under arms just to maintain control over the deteriorating condition of the bankrupt economies are conveniently ignored.

Many Americans tend to see only what they want to see. Those internationally minded investors, who think money and profit await them in Communist dominated countries, do not realize that if they make money there it will come from the taxes of their own fellow countrymen—in the form of U.S. subsidized trade agreements with those countries.

Those who have eyes to see, but see not, and ears to hear, but hear not, can be expected to repeat the mistakes of history.

I insert a related newsclipping:

[From the Washington Star and News, Mar. 27, 1973]

ISOLATION OF CUBA CRITICIZED

The continuing U.S. policy of attempting to isolate Cuba has come under fire from the Senate Foreign Relations subcommittee on the Western Hemisphere, _____

_____ yesterday told the State Department that the time is overdue for a re-examination of that policy.

"It is ridiculous to sit on our hands to wait for a signal from Cuba," _____ told Deputy Assistant Secretary of State Robert A. Hurwitch at a hearing on the problem. Hurwitch has just finished testifying that U.S. policy toward Russia and China changed "because we had previous indications of interest in a new relationship and have received no such signal from Cuba."

HOSTILE ATTITUDE

"We're the big country. The initiative ought to come from us," said _____. "And I wouldn't even care whether Castro shaved or not. I don't see why you maintain this rigid idea. It isn't worthy of this country. Are you saying that Cuba is too small and insignificant to bother with?"

Hurwitch had testified that the United States believes that Cuba remains a threat to the peace and security of the hemisphere. He also said he was mindful of Cuba's hostile attitude toward the United States.

"You can't make policy on the basis of rhetoric," _____ said. "We're in a state of intransigence because Castro calls us names. We ought to be chipping away at this intransigence."

He said that the State Department ought to be devising options between the alternatives of embracing Cuba or shoving her away. He suggested cultural exchanges, visits by tourists and the press and a loose economic flow, contending that the rigid U.S. policy deprives this country of its many options.

ADJUSTMENTS CITED

"The cold war is now thawing in the frigid climes of Moscow and Peking," said _____. "Henry Kissinger has even been to Hanoi. Why should tropical Havana continue to be regarded as an arctic wasteland?"

_____ said that the other hemisphere governments, one by one, are beginning to adjust to Castro, mentioning that Mexico, Peru and Chile, plus some English-speaking Caribbean nations have relations with Cuba and that Ecuador, Panama, Venezuela and Argentina seem headed in that direction.

One of the basic objectives of U.S. policy, _____ said, was to isolate Cuba from the rest of the western hemisphere. The question now is, he declared, whether it is we or the Cubans who will be isolated.

Hurwitch conceded that the question may come up at the meeting of OAS foreign ministers here next week. He said it would have a debilitating effect on the OAS if the organization voted to let each nation take unilateral action with regard to relations with Cuba.

VOTES NOT AVAILABLE

He emphasized that the OAS sanctions are a binding obligation on the United States and other member states, to be lifted only by a two-thirds vote. He said by the U.S. count there are not two-thirds of the OAS nations ready to change.

Hurwitch also said he did not think the Russian military relationship with Cuba would change even if a U.S. embassy were re-established in Havana. He said the United States and Russia have about the same number of military personnel, about 5,000 each in Cuba, with the U.S. contingent in the Oriente Province enclave on the Guantanamo Bay Naval Base.

He said Cuba is locked into a dependent relationship with the USSR and he doubted if the Russians would let their Cuban foothold slip away.

LET THE FARMER CATCH UP

HON. CHARLES THONE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. THONE. Mr. Speaker, the American public is being unfair to the farmers. The consumer seemingly does not want the farmer to catch up with the cost of living. The price of food, particularly of meat, has been depressed for years, while all other prices were rising. In 1972, the price that a farmer could obtain for a steer finally equalled what he would get back in 1952.

Consumers are being unrealistic about meat prices. The highest price a farmer has been able to get for a choice steer has been 45 cents a pound. That was several weeks ago. Since then, the price the farmer can get has dropped.

In 1959, a farmer could sell a choice steer for about 29 cents a pound. If the price the farmer receives had gone up as much as the price of a postage stamp, the farmer would now be getting 77 cents a pound. If his price had gone up as much as average hourly wages in the past 22 years, the farmer would now be getting 80 cents a pound. If the farmer's price went up as much as the cost of hospital care, the farmer would now be receiving \$1.76 per pound for a choice steer. Prices for livestock producers and livestock feeders just have not kept pace with other increases.

Henry Trysla, publisher and editor of the South Sioux City Star in Nebraska, recently wrote an editorial which succinctly pointed out that consumers are unfairly picking on farmers. Members of the House from urban areas can further their education on food prices if they will read this article. Mr. Speaker, I insert this editorial in the RECORD:

FARMER HAS A POINT

We heard from a farmer the past week and by gosh we believe he's got a point.

He expressed dissatisfaction with the daily newspapers in proclaiming in page one articles: "Cattle Were Higher Today," "Highest Markets Ever" and "Records in Livestock Prices Are Broken."

The farmer continued by saying the newspapers don't say, "The Subscription to This Newspaper Is The Highest Ever," or "Lumber Prices Rose Again," or, "Clothing Is Higher Than Ever" . . . just meat prices. The farmer concluded:

"If any of those guys had to plow in this mud to feed these cattle, hogs or sheep they wouldn't be so fast in putting the blame on the farmer."

We think perhaps the farmer has a point! Unfortunately food being the necessary commodity that it is—most people spend more of their income for food than for some other necessities.

And unlike food, an individual doesn't have to buy a new suit, a pair of shoes or lumber for that matter, virtually every week.

Even though we sympathize with the farmer we also know that food prices will always be of great concern to the greatest number of people.

And, unfortunately, the farmer will continue to draw the most criticism.

It's time we recognized that the huge increase you've seen in meat prices lately didn't

all go to the farmer. Labor . . . labor to move, kill, process, ship, display and sell the meat had a good hand in it, also.

It might just be that the farmer is getting his just reward for the first time while labor has reaped its benefits for years and years.

MAKING SCHOOLBUSES SAFE

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. MOSS. Mr. Speaker, I would like to share with my colleagues, an editorial from the Washington Post concerning schoolbus safety. Mr. ASPIN's bill on schoolbus safety which I have the pleasure to cosponsor, is a much needed safeguard to insure the lives of future generations.

MAKING SCHOOLBUSES SAFE

The nation is so accustomed to highway death and injury that usually only large scale crashes receive public notice. For school buses, this is equally true. Accidents, like the one three months ago near Fort Sumner, N.M., that took 19 lives, are apparently needed to arouse interest in school bus safety, and then the interest is usually passing. Against this background of indifference, important bills have been introduced in the Senate and House that may lead to safer school buses. The need is surely present. In 1971, 46,000 accidents occurred, with 150 killed and 56,000 injured.

A specific goal of the legislation is to provide greater structural strength to the bodies of buses that Rep. Les Aspin (D-Wis.) has called "rolling death-traps for our school children." The legislation asks that standards be developed for emergency exits, interior protection for occupants, floor strength, seating systems, crashworthiness of body and frame, vehicle operating systems, windows, windshields and fuel systems. Unlike the situation in some other parts of the transportation industry which resist progressive changes because "the technology isn't feasible," the way to design and build safer school buses is common knowledge. Two companies—Ward and Wayne—have been constructing proto-type safe buses.

Some of the resistance to getting such buses to serve the 20 million school children who could be riding them comes, first from the Department of Transportation. It has never shown a very sustained serious interest in school buses and has taken years even to get up a proposal for safer seats. It is true, as the department has often pointed out, that in comparison with other vehicles, school buses represent one of the safest modes of transportation. Yet, as many have observed, this is less because of federal diligence than because most motorists are cautious around school buses and because the buses are usually driven at low speeds. The second resistance comes from school districts that buy buses according to cost, not safety. Yet, an increase of only \$300 per bus is the estimate to make new ones structurally safe. Many parents never dream that the local school buses might not be the safest possible, thus they do not protest to the school boards.

There is no reason not to provide safe transportation for the nation's schoolchildren; the technology is available and at a reasonable cost. The congressional legislation is not the total answer but, if passed, it promises to be more effective than any protection offered to date.

THE POSTAL (SERVICE?)

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. WALDIE. Mr. Speaker, I would like to bring to the attention of my colleagues an article that appeared in the March 4 edition of the Independent.

In this article Mr. Robert Several, editor of the Independent, points out the deterioration of the mail service. He links this deterioration to the change of the Postal Department to a supposed profit making Postal Service. The question he raises in his article reaches the heart of the problem, should public service or the profit motive be the objective of the Postal Service?

I am happy to state that I and several other members of the Post Office and Civil Service Committee agree with Mr. Several that in this vital area of communication public service should come first.

At this point I insert Mr. Several's article into the RECORD:

THE POSTAL (SERVICE?)

(By Robert Several)

A fundamental conflict in our capitalistic society arises from the question of what comes first, the profit motive or the public service ethic.

I'm among those who believe that the public service ethic should come first.

Profit is nothing to disparage or to run away from, but when it becomes the end-all, public service invariably is sacrificed.

The question is especially relevant when it involves crucial endeavors which affect masses of people—endeavors such as health, utilities, food, transportation, the press . . . and mail delivery.

Mail delivery: that's where the issue of service versus profit is coming to a head these days.

The Mailbox in today's Independent contains a letter from Contra Costa County Congressman Jerome Waldie about that issue. Waldie, a member of the House of Representatives Postal Service Subcommittee, is gravely concerned about the state of affairs in the post office and is planning an investigation which hopefully will lead to reform.

Mail delivery, as we all are aware, has become a national disgrace and joke. Whereas in the old days our mail came twice a day and came promptly, now delivery comes once a day and letters or packages from across town take a week to get to you.

It's not the fault of the poor guys and gals working in the post office. God knows, they're doing their best. They're understaffed and they're working for a pay that's hardly enough to support a family without a second job. But they're laboring under an insurmountable burden.

That burden is the profit motive. Somewhere along the line it was decided that the postal service had to make a profit. The post office was phased out of the realm of pure public service and was turned into a semi-private corporation.

The service, which had been slowly deteriorating thanks to the government's stinginess in funding the post office department, immediately sank through the floor when the service-oriented Post Office Department became the profit-oriented Postal Service.

My father worked in the post office during his career. This column frankly is sort of

an extension of the grumbling he pours into my ears when I visit him. "A profit! We might as well ask the military to make a profit too!" he declares.

Congressman Waldie in his letter has a similar comment: "... do we ask our fire departments, police departments, and schools to make a profit? Public services such as delivering mail promptly and efficiently ought to be the primary concern of the postal service. What we have today is a postal service that neither provides adequate service nor makes a profit."

My father has pointed out to me that much of the work handled by the post office requires painstaking human contact—it can't really be mechanized—and that if the government spent more money to upgrade the service, the result would be not only better mail service but more jobs.

Congressman Waldie wants citizens to write to him about their experiences with the postal service. I hope many readers will indeed do that, demanding that public service be reinstated as the primary goal of the U.S. Postal Service.

UNITED STATES-LATIN AMERICAN ECONOMIC RELATIONS IN THE 1970'S

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. GONZALEZ. Mr. Speaker, a few days ago, the President of the Inter-American Development Bank gave a profound and important address at the University of Texas, dealing with the future of economic relations between the countries of this hemisphere. Because of the importance of this topic and the very perceptive comments of Mr. Ortiz Mena, I wish to place it in today's RECORD.

Also, I am placing into the RECORD a San Antonio Light report on a related matter.

The material follows:

UNITED STATES-LATIN AMERICAN ECONOMIC RELATIONS IN THE 1970'S

(Speech prepared for delivery by Mr. Antonio Ortiz Mena, President of the Inter-American Development Bank, at the Conference on Latin America—United States Economic Interactions)

Dean Kozmetsky, honored guests and ladies and gentlemen, it is specially gratifying to be invited here this evening as your principal speaker. The theme and issues which this Conference is considering are of the highest importance; moreover, it is timely that they are being discussed at this moment of great changes in the world economic order. A brief glance at the list of conference speakers, assures one that the very best talent has been assembled here both from the United States and the countries in Latin America to lead the analysis and treatment of these important issues. Indeed, I recognize among them many good friends of longstanding who, from their respective positions in the academic, governmental and business sectors of both parts of our hemisphere, have exercised intellectual leadership in the forging of new approaches for Inter-American economic relations.

Perhaps never in the past has the future of the United States-Latin American economic relations been beset by so many uncertainties. At this point in 1973 it is clear that the interaction between the two parts

of this hemisphere will be profoundly affected by the change now taking place in world political and economic arrangements. Moreover, certain changes underway within both the United States and Latin America have also begun to assert an influence on the future of this relationship.

Among the many currents of change in the world today, perhaps none is so far reaching in its consequences than the dismantling of the cornerstone premise which underlay the bipolar concept of the Cold War. In its place is emerging a more pluralist system in which power and responsibility both political and economic is shared among a growing number of countries.

The United States has taken history-making initiatives in some of the crucial areas of international relations. On the one hand, by calling the historic meeting which culminated in the Smithsonian Agreement, the United States started an intensive international effort aimed at the reorganization of the world monetary and trade system, which until then had been subject to the rules of the Bretton Woods Agreement and to a lesser extent, of the General Agreement on Tariffs and Trade (GATT).

Furthermore, after the Smithsonian Agreement, new developments have been taking place in the monetary field, the more recent of which was the three per cent revaluation of the Deutsche Mark. This measure was taken against the Special Drawing Rights, thereby substituting the U.S. Dollar as a frame of reference on international markets.

On the other hand, the starting of intensive contacts by the United States and other nations with China and the latter's admission into the United Nations system, the improvement of the political and economic relations with the Soviet bloc and the peace agreements in Vietnam, bring new dimensions and prospects to international relations, which in turn bear profound implications in the economic area, and with respect to hemispheric relations.

I believe that these initiatives have made a very important contribution to world peace, international understanding and, in turn, may create better possibilities for economic and social progress of all nations.

The consequences of these events for Latin America could hardly be more profound and meaningful. For in place of a one-sided dependent relationship reinforced by the tensions existing between two unremittingly hostile camps—the East and the West—comes a fresh opportunity for a more diversified relationship between the countries of Latin America and the economic and political centers of the world. By the same token, the United States is becoming less of a predominant factor in the economic and political life of the Latin American countries as the hegemony of the cold war years is converted into a relationship more solidly based on mutual interest.

In turn, these trends have helped to strengthen the view within the region, that Latin America has no alternative but to assume full responsibility and initiative in solving its problems, and that whatever solutions or recognition needed from the United States or the rest of the world, should be the result of the effectiveness with which Latin America is able to increase its bargaining strength. No longer content to deal with arrangements and policies determined by others, Latin America is aggressively seeking to have a role in their determination. The establishment of the Committee of 20 with some relevant participation by the region's representatives, has been encouraging to the Latin American countries. Central Banks and Finance Ministers have maintained active and intensive contacts with each other in order to present a united front in the negotiations. It is of particular interest that the United States officially noted

that the formation of the Committee of 20 will facilitate the full reflection of the developing countries' concerns in the discussions of the reform in the monetary system.

Turning specifically to the United States-Latin American relationship, we should recall that during the 50's, the Latin American countries were only starting to apply the policy of the rationale of development as understood in its contemporary meaning, and as elaborated mainly by ECLA. A combination of nationalistic politicians and new elites of technocrats appeared in several countries, and started to promote a regionally-concerted effort to intensify the cooperation of the United States to Latin America, mainly through public financing and expansion of trade in basic commodities.

The fact that the United States was still the totally dominant world power at the time in the financing and trade fields, induced the Latin American neighbors to carry on both bilaterally and multilaterally an uninterrupted effort to obtain its support for the region's development.

The United States attached political and economic importance to its bilateral relations with the Latin American countries and tried, through varied efforts of cooperation with many of them, to build up a hemispheric system of economic relations, in which in addition to the bilateral institutions, the International Monetary Fund, the World Bank, the Organization of American States and later the Inter-American Development Bank played significant roles.

A greater effort of technical assistance and research on Latin America took place during this decade. A very large number of United States universities and individual economists participated in the diagnosis of development problems, in the formulation of economic policies, in the creation of economic and financial institutions and in the design and execution of development programs and projects. A very large number of Latin Americans were trained as economists in United States universities. A number of United States universities assisted Latin American universities in the modernization of their curricula.

After the Meeting in Bogotá of 1959, the Inter-American System was strongly supported by the commitment of the United States to create the Social Progress Trust Fund.

For a decade starting in 1961, the bilateral and multilateral cooperation of the United States with Latin America was put under the conceptual framework of the Alliance for Progress.

Parallel with the process of world change, important economic developments, within Latin America have been at work. Over the past decade many fundamental changes in the economies of various countries have given rise to new attitudes on the part of their leaders, and radically changed the outlook on the world. All this has resulted in a new economic nationalism which is at once more articulate about the needs and aspirations of these countries, and vastly more assertive in the pursuit of these aspirations. The principal expression of this assertiveness is a demand to take into its own hands the decisions which will determine its own economic destiny. This force is at work to a greater or lesser degree in each country. Perhaps less well recognized is the extent to which it is also at work in the processes of economic integration which are tying the countries of the region closer together, and uniting them around the fundamental principles of the new economic nationalism. To the extent that integration succeeds in this goal it will magnify Latin America's voice and leverage in the bargaining in world trade forums, and in enforcing new approaches to foreign investment and related issues; to that extent will the developed countries find that the achievement of a

satisfactory economic relationship will require negotiated resolution of the issues which presently divide them.

As we witness two processes of change underway at the same time—one concerning the organization of world monetary and trade and the other within Latin America itself—one is tempted to ask: are these two processes inevitably headed to a hopeless collision? It is my conviction that such is not inevitable; indeed given patient negotiation and some reasonably long term view of growing world economic interdependence, I think the chances are good for an improved economic relationship between the United States and Latin America.

When I say this I have in mind that at the bottom of all future sources of conflict between the two, there are really two or three key issues which overshadow all others. From Latin America's point of view I would judge that these would be: first, an expanded opportunity to sell the products of its manufacturing industry and labor in the markets of the United States, and those of other developed countries; second, greater control over the terms and conditions which apply to foreign investment and multinational companies in their countries; and third a flow of financial resources for development on some basis more stable than the present.

Of course, these are not three separate issues at all; they are rather intertwined and what happens with respect to one, has impact on the other two. It is useful to recall that trade between Latin America and the United States is at a level of US\$12 billion; while this represents a fraction of total US trade, the balance of that trade remains in favor of the United States by an average of about US\$600 million annually. Investments in Latin America by US companies and individuals are estimated to have reached US\$16 billion; and it is interesting to note that expropriation of certain natural resource properties in some countries has not prevented the total amount of US investment in Latin American countries from increasing.

In the past, it might have been said that these figures were indicative of the dependence of Latin America on the United States, than of mutual interdependence. While that may have been true in the past, particularly up to the early 1960's the changes which have occurred in both the economies of Latin America and that United States render this judgment outdated and empty. During the past 30 years the economy of the United States has progressively become more open to external influences. 1971 and 1972 were years in which the United States ran heavy deficits on its trade account for the first time in this century. Although corrective measures are being taken to restore balance in the United States trade accounts, the judgment is inescapable that the United States along with all advanced economies, are gradually becoming more—not less—dependent on imports from other countries and, in turn, on exports to pay for them.

New factors coming into view will accelerate this trend. The pressure of the world's great industrialized economies on the available supply of energy and mineral products has reached such proportions that one now hears talk of their dependence on the developing countries for assured supplies of fuels, minerals and raw materials. The so-called energy crises marks the beginning of a growing dependence of the United States on imported petroleum and other forms of energy. Whereas United States imports of fuels were only US\$8 billion in 1970, some analysts expect that by 1985, this country will need to import up to US\$30 billion in fuels alone. On top of this, it is estimated that the United States will have to depend on foreign sources for more than one-half of its supplies of several certain basic mineral products.

I do not want to suggest that Latin Amer-

ica is capable of filling the entire United States need for all these products. Nevertheless, with its large petroleum reserves, and still to be exploited deposits of minerals, one can confidently foresee that Latin America will remain and become even more important as a source of these basic products to the United States. This will, of course, depend on the ability of the countries to mobilize an adequate volume of investments to develop these resources. But, if this were the extent of it, the problem we are discussing tonight and during this three day conference would be simple indeed. The pattern of relationships between less developed countries exporting raw materials to industrialized countries which, in turn, supply manufactured goods is becoming obsolete as it applies to Latin America.

Latin America's approach to its future economic relationships with the United States reflects, in turn, some basic changes which have occurred in the structure of the Latin American economy. The steady and inexorable progress of the industrial sector of the region, a phenomenon of the past 40 years, has finally, in the seventies, arrived at a most significant point. Throughout the decade of the sixties, manufacturing industry in Latin America has been growing at rates considerably in excess of overall GNP growth rates, with the result that manufacturing industry has become the largest single sector in the Latin American economy. By 1970, manufacturing industry was generating some 25 percent of the region's GNP, while agriculture accounted for about 16 per cent. I dare say there is insufficient awareness of the import of these statistics in the minds of many in the United States and elsewhere in the developed world.

As industrial production in the region advances at these high rates, we are beginning to see evidence that Latin American industry is reaching a new stage. In past decades, the growth of industrial capacity in Latin America has been largely based on the exploitation of internal markets and the opportunities for import substitution. In the decade of the seventies, as these internal markets become satisfied, we are beginning to see a new posture of active and aggressive search for external markets for the products of its industry. This is the meaning behind some recent economic events in the region. It is reflected in the intensive search to broaden limited national markets through economic integration arrangements such as the Andean Group and the Central American Common Market, and it is mirrored in the rapid increases being registered in the region's exports of manufactured goods during the past decade. That category rose faster than any other element of the region's exports. Between 1960 and 1970, manufactured exports from Latin America increased at an average annual rate in excess of 15 per cent—a rate which doubled the proportion of manufactured products to the total of the region's exports—that is, from a level of nine per cent in 1960 to a level of about 18 per cent of the region's exports in 1970. This expansion of export of manufactures by the region continues to accelerate. Recently, several United States and Japanese companies have announced new investments in production facilities for export. The Ford Motor Company will shift its production of engines for one of its products to Brazil. RCA and Sony have announced similar intentions with respect to their color television production.

The meaning behind these statistics could hardly be more profound for Latin America. Fundamentally, this trend signifies a progressive increase in value added within the region; in turn this signifies not only a most promising line of growth and development for these economies, but, more important, expanded employment opportunities for Latin America's vast reserves of underem-

ployed and unemployed manpower residing in the cities of Latin America. As these cities are growing annually at nearly six per cent, a rate double that of the total population of these countries, the problem becomes more urgent every year. It is clear that Latin America cannot give employment to these masses by exporting its raw materials to other centers to be processed. The only hope of meeting the need lies in determined efforts to increase processing operations within the region and being able to market the resulting products in the markets of the developed world.

Thus, as Latin America confronts a world of changing economic relationships, its interest in assuring access to markets for the products of its maturing industries will be primary. The strong protectionist sentiment which currently exists in the United States represents a real threat to Latin America; if that sentiment prevails it is not difficult to foresee conflict between the United States and Latin America. On the other hand, a more hopeful trend is represented in the United States proposal to put into effect a system of generalized preferences. Following discussions in the OECD, several developed countries have moved to put into effect their versions of the generalized preference system. Each of these is hobbled by varying types of restrictions; but clearly, further progress toward a true world system of trade preference for developing countries hinges on the implementation of the United States system. To date protectionist sentiment in this country has been considered too strong to permit passage of the necessary legislation. The outcome is still in the balance; and whatever the outcome, it will have a heavy influence on the future economic relationship between the United States and Latin America.

At the same time that many Latin American countries have turned outward seeking a larger role in world trade, attitudes within the region concerning an acceptable role for foreign investment have also been changing. These changes usually take the form of demands for national control of key enterprises through participation by the state, or majority ownership by national investors and entrepreneurs. The problem is further complicated by the growth of great multinational companies presiding over great numbers of subsidiaries located in many different countries having the power to make decisions affecting the national life in any one of these countries, without reference to the authorities of that country. This feeling of vulnerability gives persuasive support to the contention of some that these great multinational systems unchecked by any authority are in fact a threat to basic sovereignty.

These fears are not new; but their re-emergence in coincidence with several sensational cases of expropriation of natural resource and utility companies has combined to give rise to renewed tension between the United States and Latin America. The emotional dust raised by these has made more difficult the reasoned and dispassionate analysis of the Latin American objective.

In the brief time we have together this evening, I can only make one or two observations on where I as an individual believe these conflicting attitudes take us.

In the context of the region's preoccupation with expanding its industry and its exports, it is noteworthy that a very high proportion of Latin America's manufactured exports find their origin in subsidiaries owned by foreign companies. It is not often recognized that growth in value added and, in turn, in export capacity was the subject of a long, private running negotiation between companies and governments. Industrial companies which had originally come to these countries to serve the local, limited market behind high protective barriers eventually

found themselves engaged in what Ray Vernon has labeled the "Struggle over Rewards." Throughout this period, companies were under pressure to import less and purchase more from local sources and when substantial progress was achieved in this area, attention was shifted to export of their manufactured products. In most cases these companies being elements of worldwide marketing systems were able to respond. Indeed, foreign owned subsidiaries account for about 40 per cent of Latin American exports of manufactures. Perhaps in this light, it is understandable that these subsidiaries do not appear to be threatened in any way in a region where foreign ownership is a hot issue. Indeed new subsidiaries of these great multinational companies are being established in Latin America at higher rates than ever.

The pattern of interaction between those companies which genuinely identify with their host countries' objectives and continue, through well planned changes, to adjust to accommodate to changes in these aspirations and objectives supports the conclusion that ideology becomes secondary to such considerations as productivity, value added, jobs and exports. In contrast, companies which turn their back on the changes going on about them, and resist taking action necessary to accommodate these changes, eventually run the risk of falling prey to ideology especially when the technology they command becomes commonplace and more or less replaceable from national sources. I can think of no investment which will ever be free of pressure to accommodate in some way to the exigencies of changing national life.

Having offered these generalizations, I must hasten to qualify them. While I believe they stand as generalizations, it is nevertheless true that each country is different and will apply different definitions of what meets the national need. Each case will be subject to negotiation.

Throughout this evening, I have spoken of Latin America as if the needs of all countries of the region were similar. This is, of course, not the case. Certainly, the averages tend to blur the differences among the countries in terms of degree of industrialization and ability to compete in world markets for industrial goods. As a matter of fact, 90 per cent of industrial output of the region originates in only seven of the 24 countries of the region. For many of the latter countries there remains a long road ahead to develop industrial capacity equal to the challenge of world competitive forces. Continued and sustained efforts will be required of these countries not only to build infrastructure for industry, but also to improve agriculture which still employs the largest proportion of the economically active population of most countries. Moreover, there remains an unquestioned need for social development projects such as improved and expanded facilities for education and health. What this means is that the need for external financial resources remains as great as ever.

We, at the Inter-American Development Bank are acutely conscious of these disparities hidden within the statistical averages representing the region as if it were a single entity. For this reason, we have initiated new policies which distinguish our member countries according to their state of development and their needs. Thus, the relatively less developed countries of the region are given priority in the allocation of low interest resources; the relatively advanced countries receive financing with resources which the Bank borrows in the capital markets of the world at prevailing interest rates. This technique sharpens the focus on the problems facing the relatively less developed countries and distinguishes them from those facing the higher income countries entering the phase of rapid industrial development.

It is somewhat ironic that as we grow in our ability to forecast more precisely the

need for financial resources for development, the sources of these resources are becoming less disposed to provide them. At the present time, one can see in the United States a much lessened resolve to continue to appropriate public funds either for bilateral development programs or for contributions to multilateral agencies such as the Inter-American Development Bank. For the past two years, the Congress has refused to appropriate the funds necessary to fulfill the amounts previously committed to increase the low interest funds of the Bank. We remain hopeful that 1973 will bring more favorable results.

In recent months there has been discussion of new ways to provide financial resources for development, which would be less dependent on the uncertainties of action by individual national legislatures. One such proposal under consideration at this time is that referred to as the "SDR-LINK." Simply stated, this proposal would provide for some means of setting aside some portion of each creation of new Special Drawing Rights to finance projects in developing countries. In this way, some of the supply of development capital would be "linked" to new creations of international liquidity as represented by SDR's. At present this windfall of resources is distributed among the International Monetary Fund member countries according to their share of voting power in that Institution—a method which insures that a handful of the richest and most powerful countries get the lion's share. A number of detailed and complex proposals have been advanced to accomplish this "link"; one of these would provide that the SDR's set aside for development be channeled to international or regional development banks such as the Inter-American Development Bank. Such a scheme would seem to me to make great sense from the point of view of both the advanced as well as the developing countries. Both would be assured that the resources so provided would be allocated for high priority development projects.

I have spoken this evening of several issues which in my judgment as a Latin American will be determinants of the nature of the United States-Latin American economic relationship in the future. I am sure that during the remainder of this Conference other issues will emerge for treatment and discussion. However that may be, I take it to be a cause for optimism that such issues are being uncovered and debated by such responsible institutions as the University of Texas, and by scholars from all parts of the hemisphere.

For I remain hopeful that the attitudes of mutual cooperation and the specific recommendations that result from this Conference will find a place in the policymaking of the countries of the hemisphere.

FOREIGN AID IN TROUBLE

(By Jan Jarboe)

Unless President Nixon exhibits strong leadership, any would-be congressional foreign aid bill is in trouble, U.S. Rep. Henry B. Gonzalez said Saturday.

"At this time, the status of a foreign aid bill is that we haven't one," Gonzalez told the 27th annual convention of the San Antonio Archdiocesan National Council of Catholic Women at the Gunter Hotel.

The veteran lawmaker said one reason last year's foreign aid bill died in committee was that Nixon did not push for the bill.

Gonzalez, who is chairman of the subcommittee on International Finance, said "We have a responsibility that is inescapable" to provide foreign aid to developing countries, but he said opponents of foreign aid legislation have had their way in Congress to date.

During the convention proceedings, the question of the Supreme Court's ruling on the Texas and Georgia abortion law surfaced.

Gonzalez, who is a Catholic, said any attempt to promote a constitutional amend-

ment prohibiting abortions would be "impractical."

"You can do almost anything with a constitutional amendment—maybe even cure fallen arches—but I think the possibility of getting a constitutional amendment of this type is very remote," he said.

Gonzalez said he would advise opponents of the Supreme Court's abortion decision to concentrate their activity at the state level and perhaps "look into the Texas Constitutional Revision Committee."

Mrs. H. R. Gladorf, president of the council, said, "I'm against abortion in any form and under any excuse given for it. I believe it is comparable to murder, and I feel that is the belief of most Catholic women."

The council has spearheaded a legislative group termed "Right to Life" which Mrs. Gladorf said will actively lobby for reversal of the Supreme Court decision.

AIDING RUSSIAN EMIGRANTS

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. NIX. Mr. Speaker, responsible officials of the Department of State are presently conducting final negotiations with U.S. voluntary agencies for use of the \$50 million appropriated by Congress last year to help resettle Russian Jews in Israel.

I want to bring to the attention of all my colleagues who are concerned with the Jewish emigration from Russia that a sense of urgency now surrounds these negotiations. Last week the Soviet Union relented on severe emigration restrictions when it unofficially announced "suspension" of the decree requiring heavy exit fees from university-educated citizens emigrating to Israel or other non-Communist countries.

I say this suspension is unofficial for I have the trepidation its longevity may be directly related to the time when the Soviet Union consummates trade agreements with our own Government giving the U.S.S.R. most-favored-nation status. Once they have that agreement in hand I fear they may repeal the waiver of the exit tax.

Therefore, it behooves us to urge the Department of State to press ahead in its negotiations with voluntary agencies with all possible expedition. Since most of the migrants leaving Russia are destined for Israel, the principal voluntary agency concerned is the United Israel Appeal for which the Jewish Agency for Israel will conduct the program.

The Department of State informs me that areas to be supported with U.S. money include: enlargement of a transit center in Western Europe; maintenance of refugees in transit; transportation of refugees and their effects from Western Europe to Israel; construction of hostels; absorption centers and housing in Israel, and education and training assistance, including special youth care.

The Soviet's repressive restrictions on freedom and, specifically, the exit fee are, to me, chilling reminders of the despotism of the cold war era. We in the Congress should seek the abolishment of all such curbs of freedom. If necessary to accomplish this goal, we should line up

solidly against any and all concessions to the Soviet Union for trade preferences.

But in any event, we can be of assistance to those Jews in Russia who wish to migrate to Israel or other non-Communist countries by urging the State Department to conclude negotiations on the use of appropriated moneys—and do it while the suspension of the exit fee from Russia is still in effect.

SEARCH FOR THE TRUTH AT
WOUNDED KNEE

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ABDNOR. Mr. Speaker, because there seems to be so much controversy over the real facts about media reporting at Wounded Knee, S. Dak., I would like to take this opportunity to share with my colleagues in the House a recent article from the Birmingham News:

ON WOUNDED KNEE OCCUPATION: NEWS MEDIA
DO POOR JOB
(By James Free)

WASHINGTON.—The news media have done a mediocre job of reporting on the Indian occupation of Wounded Knee, S.D., and the broadcast media in particular.

This has been impressed on Washington observers not because they knew by long distance what was going on, but because they could not find out from the usual sources.

Who are the leaders of the occupying force? Were they elected by the local reservation Oglala Sioux tribe? Where did most of the "dissident" Indians come from? What do the Oglala Sioux think of all this? Do Indians elsewhere approve of the occupation tactics?

Adequate answers simply were not to be found in the dispatches and broadcasts from Wounded Knee.

The first authentic, comprehensive report to surface in the nation's capital came last Tuesday morning from Rep. James Abdnor, R.-S.D., whose district includes Wounded Knee.

At 10 a.m. Tuesday Abdnor released a two-page statement and held a press conference on Capitol Hill. Neither got much attention. In fact, none at all in the Washington Post and New York Times, and only brief mention in the Washington Star. If it was on the airways, few secrets have been better kept.

On Wednesday Abdnor, still hopeful of getting some Washington and national attention for the untold story—got "special order" time on the House floor and elaborated on his disclosures. This time 10 colleagues, nine Republicans and one Democrat, commended him for his forthright presentation.

Most of the 10, including two who also have Indians in their districts, backed up Abdnor's call for federal authorities to go in and return control to the locally elected Indian leaders.

Once again the Abdnor story about happenings in his constituency was ignored by the media, or at least by those having an outlet in Washington, D.C.

And what is the Abdnor story?

That only one of the AIM (American Indian Movement) occupation leaders "is even remotely connected with the Oglala Sioux Tribe."

Russell Means was born on the reservation (but has spent most of his life elsewhere, more recently in Cleveland, Ohio). Others are from out of the state with prior records of criminal acts.

Most of the occupying force is from outside not only the reservation but South Dakota.

The AIM demand for a referendum on removal of the elected Oglala Sioux leader, Richard Wilson, is a phony. Says Abdnor: "It only takes a petition signed by one-third of the voting members of the tribe to call for such a referendum." Wilson wants the insurrectionists removed, which is one reason why the AIM demands his ouster.

The dissidents have broken both tribal and federal law. They have, according to Abdnor, terrorized other citizens, destroyed private property, rustled and slaughtered cattle, ransacked the post office and abused its employees, closed the schools, vandalized properties on a project where 200 homes are being built for the Indians. They also have assaulted federal officers.

Abdnor and other congressmen made the point that the federal government cannot afford to yield to force and violence at Wounded Knee, particularly after yielding to force and destruction in the seizure of the Bureau of Indian Affairs Building in Washington last fall.

(In the seizure of the B.I.A. Building, the government went further. On directions from the White House, it paid leaders of the occupying force \$66,500 to leave Washington.)

Abdnor and other congressmen having Indian reservations in their districts warn that softness in dealing with the renegade leaders at Wounded Knee will encourage similar occupations on other reservations. Certainly the B.I.A. affair in Washington led by AIM, created a climate that made something like Wounded Knee almost inevitable.

HURTS OTHER INDIANS

Rep. John Melcher, D.-Mont., warns that "a second tragedy at Wounded Knee is possible if AIM activists continue to flaunt the law. The Indians have grievance aplenty. Some have been recognized and corrected. . . . Tribal officials elected through the democratic process on each reservation by each tribe should be the official spokesmen for each tribe. . . . The AIM activists are defying the wishes of the overwhelming majority of the Oglala Sioux people. Legitimate grievances of that tribe cannot be considered until order is restored."

Melcher concluded with the remark that "the situation is a sad commentary on our ability to run effective government as we should."

It also is a sad commentary on effective media coverage of events at Wounded Knee, and on the reports of Rep. Abdnor in the Congress.

LACK OF POLITICAL EDUCATION
CAUSES RED CHINESE FOOD
SHORTAGE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. RARICK. Mr. Speaker, the recent reports from Red China would be passed off as mere propaganda if they were not so serious and did not directly implicate American taxpayers and American farmers.

The American news media is again churning out the heart-rending story of threatened food shortages in Red China because of unfavorable weather conditions. For some reason, the blame for food shortages never mentions the failure of collective farms or the lack of production incentive under the Communist system.

The recent Red China story blames last year's drought, but proceeds to disclose the real reason for any food shortage as the Communist economic system. The article states:

The Party Committee has announced plans to send 100,000 officials to the rural areas and basic level units.

Some Communist offices have reportedly been ordered to send up to two-thirds of their staff out to "the front-line of production." The job of these party bureaucrats is obviously not to pray for better weather or to help in planting, but, as reported, "to educate the peasants politically to make a bigger effort this year."

But as most Americans know, as our President has already announced, and as some national farm organizations have urged, communism does not need to work or to feed its people because our national leaders will give the Chinese people subsidized American food at cut-rate rates in the interest of peace and brotherhood.

Perhaps American agriculture would benefit greater if instead of sending our food to Red China, we sent some of our political bureaucrats to join their Chinese counterparts in educating the peasants. Plans may already be on the drawing board for such a program, in the interest of "normalizing relations" with China.

The more American food the Red Chinese can import from the United States, the greater the number of men relieved to serve the Red army. The more Chinese peasants freed to carry an AK-47 rifle rather than a hoe, the greater the threat to world peace.

[From the Washington Post, March 22, 1973]

WEATHER THREATENS CHINA'S CROPS FOR
SECOND YEAR

(By John Gittings)

For the second year running, China's peasants are facing weather conditions that will require all their collective skill to overcome.

Many of the wheat-growing provinces in the west and north have reported a continuing drought, which hampers spring sowing. Party and government officials are being mobilized to get out into the fields to help, and a recent editorial in the People's Daily called for "the strengthening of party leadership in the countryside."

"In a big country like ours," the newspaper said, "natural calamities are not uncommon," and it called for "firm confidence that man can master nature" even in the face of serious calamities.

The experience of last year, when China faced a combination, at different critical times and places, of drought and floods shows that the job can be done.

According to Vice Premier Li Hsien-nien, the deficiency in China's 1972 harvest was limited to "a mere 2 million tons."

WORSE THAN LAST YEAR

But this year, with water tables already lower in the drought areas, and reserves of grain already depleted, is bound to be a greater trial.

In several provinces, teams of officials and other white-collar workers have been sent to help in the countryside.

In rice-growing Hunan, also hit by drought last year, the party committee has announced plans to send 100,000 officials to the rural areas "and basic-level units." From the provincial level downwards, all government offices are being asked to send up to two-

thirds of their staff out to "the front line of production."

In Szechwan Province, where it is said that anything grown in China can grow, teams of officials have been working in the countryside for two months. It is clear from the description that their job is not just to bring more hands to the fields, but to educate the peasants politically to make a bigger effort this year.

OLD TERM RETURNS

These teams are described as "rural work-teams," a term that has not been used since the Cultural Revolution when the former head of state, Liu Shao-chi, was criticized for the heavy-handed way the official work-teams he had sent out in previous years had behaved. They were said to have conducted a political witch-hunt against local peasant leaders, while covering up for mistaken agricultural policies of party bureaucrats.

Today's work-teams are also said to have a political objective; to "deal blows at the sabotage activities of class enemies" and struggle against "the revisionist line of swindlers like Liu Shaochi."

In practical terms, current agricultural policy—which the work-teams will help to propagate, focuses on instilling moderate policies and stirring greater effort by the workers.

First, there is a more balanced emphasis on the need for local initiative in the countryside, while avoiding attempts—now called "ultra-Leftist"—to do too much too fast.

Collective effort is still regarded as crucial, but warnings are now voiced against "egalitarian" policies that deprive the peasant of legitimate material incentives. More work, more pay is not an inflexible rule, and all kinds of social and political considerations are taken into account when calculating each family's share in the collective income, but it is still the basic principle.

NO NEW "LEAP" SEEN

After several years of rapid investment in rural industry and irrigation, the emphasis is now being placed more on quality than quantity, more on consolidating the gains that have been made than on leaping further ahead.

The development of local industry, such as small-scale fertilizer plants, cement factories, and brick kilns, should, according to a recent report, be limited strictly "in scope and speed." It should concentrate on industries serving agriculture directly.

Similarly, in the construction of irrigation works, the top priority in many areas is to check and improve existing structures so that they will operate with maximum efficiency now, when they are most needed. Local plants making farm machinery are also asked to concentrate on providing proper service facilities.

The second theme of current rural policy calls for the peasants not to let the sweat dry on their brows. In Mao's words, they should "dig tunnels deep, store grain everywhere, and never seek hegemony. Hegemonic ambitions in the countryside may sound a bit remote, but the phrase is a warning against all forms of self-interest and individualism.

MASS TRANSIT

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ZWACH. Mr. Speaker, most of the people in our rural Sixth Congressional District of Minnesota are deeply concerned over efforts to divert some of our highway trust funds to mass transit purposes.

The rural people, in general, oppose these efforts, while people in the metropolitan area, and I have some of them in my district also, in general favor it.

Editor O. B. Augustson of the West Central Daily Tribune in Willmar, recently dealt with this problem in an editorial, which, with your permission, I would like to insert in the CONGRESSIONAL RECORD.

As editor Augustson aptly points out, diverting highway trust funds to mass transit could lead to less and less road work in the countryside.

With railroad service deteriorating almost to the point of disappearance, it is essential that we have ample farm-to-market highways in countryside America if we are to keep urban America from going hungry.

The article follows:

MASS TRANSIT

About a week ago there was an important news story on the front page of this newspaper and perhaps many others. A vote held in the Congress about diverting highway funds for mass transit. Guess the policy has always been that federal monies given states should be used solely for highways. Such funds are derived from road-user taxes. In other words gas tax monies.

Efforts along the same line have been evident on the state level where similar proposals have been made. And such proposals have been largely opposed by the outstate and rural areas with the fear that such monies used for mass transit associated with the big cities could lead to less money and less road works in said outstate. As we understand it under the gas tax amendment these road-users monies are shared by the various units of government solely for highway building.

The change in the use of federal and state monies from the sources mentioned could be a threat or loss to the outstate which even now goes somewhat begging for highway improvements. Take our highway 12 for instance. Take the plans for a real thoroughfare of highway 71. The former a regular necessity and the latter a most desirable tourist route to the north. At times it looks as if the big cities of our metro area seem to favor only those highways which lead to them first in some manner.

So it is the same old story of the outstate and rural areas having to battle perhaps for their rightful share of this highway money and thru such funds have decent highways built out here. If the mass transit projects would tend to less highway construction and maintenance outstate then there is a problem here in the rest of the state. It seems that so much money is spent on the bottlenecks of the Twin Cities that in order to get needed funds for outstate use they have to increase the gas tax levies. It would seem that the mass transit problem is solely one that belongs to the metro complex—their home problem.

EXPLORE ROLES—EXTEND GOALS

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. NATCHER. Mr. Speaker, it is once again my very distinct privilege to pay tribute to the Future Homemakers of America who on April 1 will mark the beginning of their national week of celebration. The theme for 1973 National FHA Week "Explore Roles—Extend

Goals" is in itself a capsule definition and accurately describes the purpose and principles which inspired the establishment of this outstanding vocational education youth organization whose members, I can assure you, have established themselves as a vital and integral part of this Nation's youth community.

The Future Homemakers of America was founded on June 11, 1945, as a non-profit organization and I think it is gratifying to know that for nearly three decades, through its FHA and HERO—Home Economics Related Occupation—chapters, this organization has provided worthwhile experiences which have helped young men and women prepare for the important responsibilities of their future as parents and adult citizens.

FHA has a membership composed of half-a-million girls and boys, grades 7 through 12, in the United States, Puerto Rico, the Virgin Islands, and American schools overseas whose primary dedication is to the homemaker and to the preservation of the integrity of the family as a socioeconomic unit in addition to serving as a practical training ground for the application of knowledge, and expanding and projecting classroom work and experience into the lives and homes of each individual member. Indeed, in my opinion, the Future Homemakers clearly exemplify that tremendous strides have been made whereby this splendid organization has served as a bridge between the classrooms, the home and the community and is the key for developing the potential of each individual member for a productive life in our society.

Much has been accomplished by the Future Homemakers of America since their 28 years of existence in this country and I add with all due pride a two-fold reason for my interest in and affection for the Future Homemakers—first, I am privileged to hold a national honorary membership in the FHA and second, Kentucky's State association has the enviable distinction of being the first State organization to affiliate with the National Future Homemakers of America. At the present time, Kentucky's membership has progressed to 16,500 young men and women and naturally I am tremendously proud of the successful activities of the local junior and senior high school chapters in Kentucky, generally and in the Second Congressional District particularly.

Certainly there is no limit to the effectiveness of the numerous projects and activities sponsored by the Future Homemakers of America and during the forthcoming National FHA Week special observances will focus attention on exploration of the multiple roles of the individual in family, community and career life as well as what half-a-million teenagers are doing in a most constructive manner to seek the answers to many of our present-day problems in preparation for a better life in the future. I am confident that these young people are fully aware that they are the future of their country and that they are not only equipped but eager to meet the challenges that lie ahead, and this is evidenced by the creed of this organization which assures us of the concern and con-

sideration by these young men and women for their fellowman.

Mr. Speaker, the Future Homemakers of America has my wholehearted admiration and full support, and I want to take this opportunity to wish the entire membership a future filled with continued success.

CONSTITUTIONAL CRISIS NEARING RESOLUTION

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. STUDDS. Mr. Speaker, the House Rules Committee is currently holding hearings on legislation to resolve one of the most basic questions to come before this Nation: the clear constitutional mandate to the Congress and the Congress alone to raise and to set the priorities for spending the people's money. The present administration's unprecedented impoundment of funds authorized and appropriated for domestic programs has caused a flurry of legislative activity on this floor and in the other body which graphically points out the Congress' immediate desire to restore these funds to the uses for which Congress and the people intended.

As the distinguished chairman of the Rules Committee so succinctly stated yesterday at the opening of hearings to restore congressional control over funding:

The American public should know that since President Nixon was inaugurated over four years ago, approximately \$11 billion \$100 million of funds have been impounded which cover housing, education, health, transportation, anti-pollution, hospital construction, including the veterans' hospitals, small business loans, watershed and flood prevention, help for domestic farm labor, food stamp program, rural electrification loans, waste and sewer facilities, etc.

We, in the Congress, know what the death of these and other domestically oriented programs means to our districts and the people we represent. We are the recipients of letters imploring our immediate intervention to restore funds for this or that individual program—funds which the present administration has withheld in open defiance of the expressed intent of the drafters of our Constitution.

We should also recognize the implications of the President's usurpation of legislative authority. It is a radical departure from the American political tradition, presenting us with a grave constitutional crisis. The President's actions strike at the heart of our Constitution's peculiar genius—the system of checks and balances.

I have cosponsored legislation which would give the Congress 60 days to approve or deny a Presidential request to withhold appropriate funds. Identical legislation has been introduced in the other body and has gained the support of both Republicans and Democrats. I urge all of you to give your closest atten-

tion to this legislation and to work for its speedy passage by the Congress.

THE FRENCH CONNECTION IS ONLY TEMPORARILY OUT OF ORDER

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. BRASCO. Mr. Speaker, much has been said about the flow of hard drugs, mainly heroin, into this country. It is difficult to overstate the case, for we are practically awash in this poison. Today it is in virtually every high school of every major metropolitan area. Further, heroin is now common in many elementary schools. Few communities of size are immune to its ravages.

In the past, I have spoken on this subject, consistently hewing to the line that we know where it is coming from, who is bringing it, who distributes it and what the entire process involves, from where it is grown to the pusher on the corner.

The equation remains the same. Most of the joy we reap from close to 600,000 heroin addicts can be traced to our friends, the French, who look the other way as opium from the Middle East is processed in the laboratories of Marseilles.

We know the kingpins in this ongoing horror story are Corsican-French types, as typified by Auguste Joseph Ricorde, who, after running authorities a merry chase for some years, was finally brought to trial in this country. In passing, let it be noted that he was extradited from Paraguay, whose military dictator, Alfredo Stroessner, protected and shielded this man as he has protected so many others, including many Nazi war criminals.

The Government of the United States for once acted in a hard-headed manner, pressuring this man until he finally allowed Ricorde to be extradited for trial to this country. Let it also be noted that although much of the heroin may be moving to this country through Latin American and Caribbean routes, it still moves first through the processing and refining center of Marseilles.

What is particularly of note is that once we squeezed and pried this parasite loose from his protectors, we did as little to him as we could. His trial was a foregone conclusion from the start. This man was caught in a vise it was impossible to escape from. For years he has masterminded a ring that has smuggled tons of heroin to the United States.

Let it be clearly understood that Ricorde typifies the French Connection kingpin. If you have been robbed, mugged or beaten by someone connected with drugs, here is your man. If you have lost a loved one because of heroin, look to Ricorde. If you wonder about the streets of our cities and why they have become no-man's lands after dark, he is part of the answer. He is one of the men who have consistently guaranteed that every city will have its Needle Parks.

Why, then, in the name of all that is holy did he get off so easily? For he did

in fact come off easily. We had him in our grasp. He was prosecuted, convicted, and sentenced to the maximum. How, then, did he get away easily, is the next predictable question?

The maximum allowable sentence under Federal law is 20 years. He will be eligible for parole after completing one-third of the sentence, which comes to less than 7 years. By 1979, this assassin of uncounted Americans will presumably be free to resume his profitable activities.

I consider this to be devastating social injustice. In basic self-defense, society should insure that he never sees the outside of a prison again for the rest of his life.

In no way am I criticizing the prosecutor or judge in this case. What I do take issue with is the law as applied here. If ever a penal code required tightening, it is in this respect.

I have joined in sponsoring a measure, which would in fact accomplish this goal. It simply states that nonaddict adult druggushers would receive a mandatory life sentence. This means they would not be eligible for parole for at least 20 years.

There are many more Ricordes operating as we meet here today. Inevitably and inexorably no matter how many protectors they have, we shall tighten the noose around them in the future. I suspect that when we boast 1 million heroin addicts, and that should be rather soon at the rate we are progressing, we will be in the mood to sweep aside their protectors, fling down the gauntlet to the French and put some merciless heat on the entire system. When that time comes, and it is coming soon, we want to be ready for all the Auguste Ricordes we lay our hands on. Let us guarantee that society will grasp them firmly, try them, and if convicted, place them where they will never again get at our children. This bill is a necessary measure, and deserves the serious consideration of every Member of this House. I do not speak in any partisan sense. I truly believe that men like Ricorde will not stop until they have turned every one of our schools and streets into heroin-infested nightmares, complete with dead teenagers, degraded addicts and terrorized citizenry.

In our growing agony, we have no other choice but to defend ourselves. By passage of such a law, we serve notice on these unspeakable people that they continue this cumulative outrage at ultimate risk to their own lives.

MIKOLAJ KOPERNIK

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. DOMINICK V. DANIELS. Mr. Speaker, recently Mrs. C. Szmanko of Jersey City, N.J., was kind enough to forward a copy of a letter she has sent to President Nixon urging him to include the Polish form of the name of Nicolaus Copernicus—Mikolaj Kopernik—in his

proclamation of April 23, 1973, in announcing the issuance of a stamp in honor of the great Polish astronomer.

Mrs. Szmanko's point is very well taken and I would like to associate myself with her views. A copy of her letter to Mr. Nixon will appear following my remarks.

Mikolaj Kopernik means so much to the American Polish-descended community that this act by the President—an act which would cost nothing—would earn him the esteem of all of the millions of Americans whose ancestral roots are found in Poland. I urge all of my colleagues on both sides of the aisle to use all of the influence at their disposal to pay deserved honor to Kopernik and to Polonia.

Mrs. Szmanko's letter follows:

MARCH 21, 1973.

President R. M. NIXON,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Since you are being asked to make a proclamation for April 23, 1973, would you kindly include the Polish name before the Latin name for Mikolaj Kopernik (Nicolaus Copernicus) to celebrate the Quincentennial of his birth in his own name.

The United States of America, being a pluralistic society, ought to give proper recognition to a son of Poland who contributed to world knowledge, which was dominated by the Latins then, just for the sake of its citizens of Polish descent and in appreciation of their efforts in the existence of the U.S.A. present and past (Pulaski, Kosciuszko, Krzyzanowski and others in the American Revolution.)

It is unfortunate that the commemorative stamp will not evidence his proper name, Kopernik, because those who are the decision makers in this matter chose to ignore the many people who would have liked to have something to say about it one way or another. It is not fair.

This quincentennial is the most opportune time to re-educate all Americans about the nationality of this astronomer rather than to propagate his history as a Latin. Known for his celestial heliocentric theory, Kopernik should belong to the people of the world, not to the Church only for his religious position therein.

Since the Director of Philatelic Affairs could not help, I hope that you will use your Presidential authority to consider the people of Poland and Americans of Polish descent, not just the Church authority.

I thank you for all that you do to change the balance of power in this Kopernik matter to help the people gain a Polish Image for him.

Sincerely,

Mrs. C. SZMANKO.

PHILLIPS DOING WHAT HAS TO
BE DONE

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. TREEN. Mr. Speaker, the Monroe Morning World of Monroe, La., recently published an editorial concerning the restructuring of OEO. The editorial states:

No doubt, OEO has done a great deal of good. It is an ill wind, indeed, that blows absolutely no good at all. But, evidenced by

Phillips' catalog of pure folly and misguided good intentions, there are degrees of good, and the amount of good delivered has come at too high a price.

I feel that this statement is the essence of the reason OEO has to go. Even if one forgets all the illegal activities, mismanagement of funds, and ill-advised legislative initiatives in which OEO agencies have become involved, the major question is whether the taxpayer has been paying too much for the services OEO has provided. A look at the record will give the obvious reply: This country can no longer spend large sums of money on programs which have proven to be failures.

I am inserting the following editorial in the RECORD:

OEO UNSPEAKABLE SPOKEN

A few short years ago, no one would have thought such words could come from the mouth of a government man. Yet, there was Howard Phillips, the nation's new anti-poverty chief, head of the Office of Economic Opportunity (OEO), saying them. His agency was built on the theory of treating the poor as a class. Phillips, at last, had spoken the unspeakable.

The new bureau chief says his agency has been involved too much in trying to change society.

The elimination of poverty—avowed purpose of OEO when it blew in with other Great Society programs in the '60s—naturally would change society, and what is wrong with that? Plenty. There are good changes and bad changes and Phillips has a firmer grip on that distinction than most 32-year-olds.

The OEO, he points out, has operated on the premise that people overcome poverty collectively, not individually, and that "only through politics can you overcome the so-called oppression of the government."

He goes on: "We've had the avowed purpose of adding dollars to the welfare costs of the states and adding people to the welfare rolls and to encourage people to challenge the traditional authority patterns of society."

And on: "I think too many of the underlying concepts were flawed—the concept that you have to have counter institutions and a counter culture and the whole class concept."

"Many of the lawyers in Legal Services think it's their job to change laws and social values. Some of them are getting involved in draft counseling. Some have been distributing radical literature in the prisons. I want to get them out of the business of organizing welfare rights chapters, and farm workers unions, and rent strikes, and politicizing the poor."

As eloquently true as that is, Phillips' summation gets an A-plus for aptness: "The whole thrust (of OEO) has gotten to be civil liberties rather than poverty."

Now, of course, there is nothing wrong with civil liberties, rightly petitioned and properly dispensed. But, as Phillips says, this has little to do with OEO's intended purpose. And he calls the rightness of the petitioning into realistic question, as an unwise mounting of a "widespread challenge to order"—which incidentally has been the most striking American social development in the present generation.

"We have been using money in this agency to change the law . . . to lobby . . . to demonstrate . . . to change public opinion and public policy . . . to draft legislation," says Phillips, adding this thought-provoking zinger: "That kind of activity going on without elected authority is a violation of every citizen's civil rights."

A Harvard graduate, founder of the conservative Young Americans for Freedom, Phillips seems like the right man for the job. He seems off to a right-headed, running

start toward dismantling the scattergun agency that OEO had come to be.

He will have to lop off 350 jobs before June 30, getting the agency down from 1,950 positions to the 1,500 which will be carried over to other departments.

This is a healthy development and directly in line with President Nixon's determination to streamline government and pare expenses to a level of effective functionalism.

No doubt, OEO has done a great deal of good. It is an ill wind, indeed, that blows absolutely no good at all. But, evidenced by Phillips' catalogue of pure folly and misguided good intentions, there are degrees of good, and the amount of good delivered has come at too high a price.

Phillips' job will be to see that what good exists is retained in the transfer of duties to other departments. It is a major challenge, but he seems to have the mental wherewith-all to handle it.

TO EXTEND THE COMMUNITY
MENTAL HEALTH CENTERS ACT
FOR 1 YEAR

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. SHRIVER. Mr. Speaker, I am introducing legislation today to extend the Community Mental Health Centers Act for 1 year.

As a member of the Labor-Health, Education and Welfare Appropriations Subcommittee, I have been impressed over the years by the overwhelming evidence in favor of continued investment in community mental health centers. A 1970 study showed that State mental hospitals that are served by these centers have an admission rate less than half the national average. Because of the centers, many persons can now receive outpatient assistance near their homes rather than costly inpatient care in a State institution which might be several hundred miles away.

Indeed, the administration's request to terminate this program is based on the success of the community mental health center concept. Since the worthiness of these centers has been proven, it is said, the Federal Government can now withdraw from the field. The local and State governments are now expected to step in and construct and staff the additional 1,000 centers which would be needed to make nearby care available to all Americans.

It may be that local and State interests would step in, but I do not believe this has been demonstrated conclusively by any of the testimony presented to our subcommittee. These centers were not built and staffed before Federal assistance became available for start-up costs. What evidence is there that these governments are now willing and able to do this?

Congress needs time to study whatever evidence the administration can present to support termination of Federal support in a way that will not halt or even reverse the momentum which has been generated by these centers. My bill is a simple 1-year extension of the provisions of the act which deal with con-

struction and staffing of centers, alcoholism programs, drug abuse control programs, and special children's mental health activities.

During this 1 year of continued authorization, Congress will have the responsibility to study the administration's proposal and to offer its own views regarding the Federal role in mental health programs. In the meantime, our subcommittee will recommend interim funding.

I realize that hearings are currently being held on more comprehensive legislation to extend several other programs for which termination of the Federal role has been proposed. Significant and worthwhile programs are involved in this larger bill, but I think we all know what the fate that bill will face if it reaches the President's desk.

Based on the past record of success and the continuing critical need in many areas of our country, I believe the Community Mental Health Centers Act should have top priority for extension. I urge serious consideration and prompt action on this bill.

MRS. BASS EXPRESSES THE VIEWS ON MANY WITH POEMS

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. TAYLOR of Missouri. Mr. Speaker, Mrs. Angie Davidson Bass of Carthage, Mo. has gained considerable fame in southwest Missouri as a poet. Her writings have appeared in many of our newspapers and have been widely distributed and read.

With the heartwarming news that today our last prisoner of war is now on the way home, I would like to offer two poems by Mrs. Bass that I am certain express the views of many of the citizens of this Nation.

The poems follow:

AMNESTY?

(By Angie Bass)

Draft-dodgers ask for amnesty . . .

Do they expect a big brass band

To greet them at the station

With an olive branch in hand?

They didn't like the thought of war,

And took the cowardly way,

Fleeing to a safer place

To live in ease and play.

While men of worth and courage

Answered their Country's call,

To serve their nation long and well—

While many gave their all.

Some languished in dark prisons,

Half-starved and tortured too,

With dreams of home and loved ones,

Lonely, sad and blue.

Now that the war is over,

And peace attained with pride,

Draft dodgers yearn for freedom

For which men fought and died.

Should they be granted amnesty

At the end of this great war?

A country that's great to live in

Should be worth fighting for!

PATH OF PEACE

(By Angie Davidson Bass)

We love you for the way you took sore criticism,

When men were clamoring for "peace at any price."

When demonstrators wailed the chant of doom,

That all would not be worth the sacrifice.

We love you for the way you bore it all in silence,

When fellowmen harassed you day and night,

Because they, with their narrow vision

Could see no hope—nothing but doom in sight.

We love your insight into human nature—

That "badge of courage" you so proudly wore;

That opened wide to nations of the world,

A hope for peace you bravely dared explore.

We love you best of all for prisoners of war,

Who are returning to their homes today;

A ray of light at the end of war's dark tunnel—

To the greatest land in all the world—the U.S.A.

Mr. President, our faith in you was never shaken,

As you sought the path to peace with honor bright;

We knew you held the key to open prison doors,

And faith to hold aloft glad freedom's light.

THERE IS NO LIGHT IN THE UNIVERSITY OF CALIFORNIA BUDGET

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. LEGGETT. Mr. Speaker, the administration has started its counteroffensive against congressional criticism of the President's proposed budget. Listening to the administration spokesmen, one is left with the impression that there is no impounding of congressionally appropriated funds, and no cuts in some of our most vital social programs.

In order to dispel this talk, I would like to share with my colleagues an article from the California Monthly of March 1973, which points out that the cuts in Federal aid to the University of California threaten the continued existence of that institution as the premier public university in the Nation. The article follows:

THE UC BUDGET: LIGHT? WE CAN'T EVEN FIND A TUNNEL

Magritte might have put it this way, had he been a writer instead of a painter:

"This is not a story about the University of California's 1973-74 budget."

It's a casualty list.

Once again, Governor Ronald Reagan's budget proposal disappointed the University. And then UC administrators found out what President Richard Nixon had in mind.

If Nixon's budget goes through, says Chancellor Albert H. Bowker, the Berkeley campus could lose \$3 million. For the whole system, estimates President Charles J. Hitch, the federal cutback could reach \$80 million by 1975.

"Students are in danger of becoming the unwilling victims of the battle between the

President and Congress over federal support for education." Bowker warned in late February. "The debate in Washington is beginning to have an impact on the lives of the Berkeley students. The uncertainties about future federal grants and loans, the reduction of research opportunities, and the rising cost of education may force many to consider ending their studies."

The debate in Washington is over the Basic Opportunity Grant (BOG) program which would provide \$622 million nationally for the next academic year and almost \$1 billion for 1974-75. Congress likes the idea but wants BOG to supplement, not replace, other student aid programs. Along with his BOG allocation, President Nixon proposes to kill two major existing programs:

The Educational Opportunity Grant (EOG), through which 970 Berkeley students received nearly \$820,000 in grants this year; And the National Defense Student Loan program (NDSL), through which Berkeley students borrowed about \$2.4 million this year.

Nixon's proposal would provide loan money, but by guaranteeing commercial loans at the commercial interest rate, now seven percent.

"I am afraid that many undergraduate and graduate students will decide against continuing their education rather than incurring thousands of dollars in debts before the completion of their studies," Bowker said.

This was almost the good news. The federal cutback, the chancellor said, would further reduce the campus teaching staff, which went down by 110 positions in state budget slashes two years ago.

He predicted "irreparable damage" to the public health program, which would lose about \$800,000. In foreign languages, the federal reductions could cost Berkeley 12 teaching positions and courses which now enroll nearly 300 students.

"Moreover, language fellowships for almost 100 graduate students, totalling over \$300,000 annually, would be terminated."

Another fundamental threat was a proposed cut in basic research in favor of more immediately practical projects, an approach which has provoked a national outcry by scientists.

"While funding for basic research in the National Science Foundation budget is being augmented for next year, the increase is too slight even to compensate for inflation," Bowker said.

"At Berkeley, basic research has been the cornerstone of our research effort. But this is being threatened by the proposed budget . . . in the long run, this can prove to be a very costly strategy for the nation."

Aside from Bowker's statement, the irony in the so-called "impracticability" of basic research was highlighted by a federal cutback in support of Berkeley study of the ion.

Although no one is marketing ion products at present, the minute particle is basic mostly in the sense of being possibly fundamental to the health of every living creature. Research has linked it to the strange psychological and physical ailments which accompany such mysterious hot-wind storms as the Santa Ana, and in a Berkeley campus lab, rats which lived in an environment with a low negative ion charge had a markedly higher influenza rate than rats in an environment heavy with the negatively charged atmospheric particles. Ion research is at a basic stage, observed Cal Professor Albert Krueger, but could anyone call it impractical? If pollution reduces the ratio of ions in the air, and this in turn affects health, isn't this basically important if not immediately applicable knowledge?

At the February regents meeting, Hitch said the federal cuts could cost UC's medical schools \$18 million. This doesn't include

losses of \$1 million to the School of Nursing at San Francisco and \$500,000 to the Davis veterinary school.

U.S. Department of Agriculture cuts would reduce research and extension services by \$550,000. Hitch said. The new federal budget also would eliminate traineeships, scholarships, and grants which amounted to \$14 million for UC graduate students this year. This aid helps support almost one-fourth of Cal's graduate students.

Meanwhile, Berkeley expects a record number of graduate applications for 1973-74. By February 1, the campus received 10,569 graduate applications compared to 9,193 by the same date in 1972. At that rate, the final total could easily exceed the record 15,500 applications received for fall, 1970. Berkeley will have 3,000 graduate spaces open.

The list went on and on. The Lawrence Berkeley Laboratory announced that it would lose 211 positions, about 10 percent of its staff, most of the cuts coming in the high-energy physics program. A similar loss in jobs was announced at the Livermore Laboratory.

Child-care programs which served the children of 200 student parents prepared to close down.

All this didn't include the effects of devaluation, which will probably cost the Berkeley campus library \$50,000 in annual purchasing power. Statements about the library no longer sounded so much like warnings as like funeral orations. * * *

FOOD PROGRAMS NOT FARM PROGRAMS

HON. CHARLES THONE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. THONE. Mr. Speaker, compared to other prices, food is still cheap. Food is still a bargain. Until the price advances that began last summer, the average American family spent only 16 percent of net disposable income on food. Even today, the average American housewife spends less of her family's income on food than the housewife in any other nation.

Cheap food has been the order of the day in the United States since the 1930's. The farm programs that began then have been more of a cheap food subsidy to American consumers than a subsidy to American farmers. Therefore, it is logical to refer to them as food programs rather than farm programs.

The March 3, 1973, edition of Farm Journal contained an editorial that expressed this idea extremely well. It has since been reprinted in the Farmers Union Herald and in many other publications interested in production of food. That editorial is reprinted below:

CALL THEM WHAT THEY ARE: FOOD PROGRAMS

While farm-state senators and representatives trip over each other in their mad rush to restore REAP funds and 2% REA loans, a fight far more important to you is taking place in the big-city press.

It's a concerted effort by long-time foes of farm programs to capitalize on consumer resentment against food prices. Their purpose: to kill off farm programs entirely—once and

for all. And unless your friends in Congress wake up, and soon, the city votes we must have to pass a new farm law this year will already be committed—against it!

Listen to what The New York Times said in an editorial on Feb. 5: "One constructive by-product of the steep rise in food prices is the pressure it has put on the Administration to start dismantling—we hope permanently—the expensive structure of farm subsidies."

What frightens us even more is the number of short-memoried people in the high councils of government who seem to think the free-market millennium has arrived already. They talk expansively about Russia's long-range commitment to producing more meat and livestock products; about the poor crops shaping up this winter in the Southern Hemisphere nations; even about the great opportunities to sell food to China.

Such words recall still-painful memories of the mid-1960s when a drought in India triggered the phony "world food crisis". The wish for farm prosperity became the fact. Government leaders, farm machinery manufacturers—and farm magazines—began telling each other that happy days were here again: We could sell everything we produced overseas.

John A. Prestbo, a *Wall Street Journal* writer, gives a vivid account of what happened next: "The monsoons started raining on India again, and scientists came up with a bunch of peppy hybrids that were to spawn a 'Green Revolution'. While foreign demand withered, bigger supplies poured forth from other grain-growing countries.

"Two painful lessons emerged from the experience," Prestbo continues. "Don't build hard-to-change production plans on the fast-shifting sands of foreign demand; and don't make long-term changes in farm policy based on short-term factors."

We see signs of these mistakes in the current situation—maybe even in the 1973 farm program changes just announced (see page 25).

To justify their call for a 6 billion-bushel corn crop this year, government planners now say that domestic usage of corn is going up at the rate of 400 million bushels a year, which sounds high to us.

Perhaps the explanation came with the recent 10% devaluation of the dollar. This will have the effect of lowering the overseas prices of grains and other U.S. products by 10%. The likely result is that grain importers should end up buying even more corn than the 1 billion bushels we expect to export this year.

But what worries farmers is that all of this is very iffy. We keep hearing reports about poor crop conditions in South America and Australia, about another light snow cover in Russia's wheat area and about the need for more wheat in India and China. But somehow, we can't forget how suddenly these things can change, as with Russia's crop outlook last year.

Consumers call them "farm subsidies," but if we ever needed proof that commodity programs are designed to subsidize a lot of people other than farmers, the current situation certainly provides it:

Secretary Shultz had his back to the wall in the assault on the U.S. dollar overseas. With other American products priced out of the world market by high labor costs, your wheat, soybeans and corn were his best hope for stepping up exports and correcting our balance of payments.

With their current outcry, consumers have made it clear that they want an assured supply of cheap food. Well, if they're going to deny you the profits from an up market, then they must be willing to protect you from the losses of a down market. The makes it a food program—not a farm program.

A BILL TO AMEND THE TRUTH-IN-LENDING ACT

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. GONZALEZ. Mr. Speaker, I am introducing today, a bill which would amend the Truth-in-Lending Act with respect to the disclosure of closing costs, and administrative enforcement of the act.

Presently, the act specifically provides that certain typical costs involved in closing a real estate loan transaction shall not be included in the finance charge. But, there is no requirement that such charges must be itemized and disclosed to the customer in order to be eligible for the exemption from the finance charge, as there is with certain other charges listed in the act—recording fees, taxes, licenses, and so forth. I see no reason for the exception which is applied for closing costs, and I believe that these costs should be disclosed to the customer along with the other disclosures.

Therefore, my bill would provide that the charges be itemized and disclosed to the customer in order to be eligible for the finance charge exemption. Though some of these charges may have to be estimated, such estimates are permitted by the regulation Z implementing the Truth-in-Lending Act. If the concept of early disclosure of real estate transactions is to be meaningful, then this amendment is essential.

It is also important for us to act on another amendment to the act, in order that the Congress intention be clarified. Pending before the Supreme Court is a challenge to one of the Federal Reserve Board's regulations dealing with the "more-than-four installment" rule. Its invalidation would seriously impair the effectiveness of the legislation in the eyes of the Board, and I agree that this Congress must act to prevent this abrogation of the act's impact. My amendment would remove any possible doubt that the act includes transactions payable in more than four installments where there is no identifiable finance charge.

Another question has arisen concerning another regulation section, and being challenged in the courts. The question involves the issue of whether or not the exemption for "extensions of credit" for business or commercial purposes in the act applies to the prohibition against the unsolicited issuance of credit cards and to the \$50 limit on liability for their unauthorized use. The Board amended the regulations to indicate that the business and commercial enterprises are indeed covered by the act's maximum liability limit for unauthorized use as well as the restrictions on unsolicited issuance. This would not affect the present business exemption in its application to the disclosure, rescission, and advertising requirements. Since the validity of the Board's interpretation has been chal-

lenged, I believe we should take steps to clarify the law.

And finally, my bill would remove the enforcement responsibility of the Interstate Commerce Commission as recommended by the Federal Reserve Board and the ICC, since they do not have any applicable situations.

The ICC requires that freight charges be prepaid or paid promptly, normally 4 days in the case of railroads and 7 days in the case of truckers. And carriers are not permitted to collect more or less than the applicable rates and charges as published in their tariffs. Since no common carriers are subject to the Truth in Lending Act or regulation Z, this section would merely delete the requirement for ICC's enforcement from the act.

I look forward to considering amendments to the Truth in Lending Act in this Congress. I believe that these proposals which I have made should be considered, as well as the overall impact of the act. I think we have to look at what we have accomplished in view of what our goals were when we enacted the act. Since I am still a member of the Consumer Affairs Subcommittee which has jurisdiction over this subject matter, you can be sure that these and other questions will be given thorough consideration under the able leadership of Congresswoman LEONOR SULLIVAN who chairs the subcommittee.

"ECONOMICS: AN INTRODUCTORY ANALYSIS" BY PROF. PAUL A. SAMUELSON

HON. CHARLES W. WHALEN, JR.
OF OHIO

IN THE HOUSE OF REPRESENTATIVES
Thursday, March 29, 1973

Mr. WHALEN. Mr. Speaker, 6 years ago I left the classroom to assume my duties as a Member of the House of Representatives. For 14 years prior to coming to Congress I taught economics—and served as departmental chairman—at the University of Dayton. During this period one of my primary tools was Prof. Paul A. Samuelson's monumental work, "Economics: An Introductory Analysis."

According to the March 24 issue of Business Week, Mr. Samuelson's textbook still is the "bible" for many principles of economics students throughout the country. Its contents have been revised to keep the reader abreast of current economic thought. And, in line with present trends, the price, too, has changed—upward, of course.

As the Business Week article observes, the broad circulation of his book makes Samuelson "one of the most influential economists of the century, with a large segment of a whole generation educated by his presentation." Yet, Professor Samuelson's reputation as an economist, states Business Week, emanates more from his work in scientific analysis "that brought him the 1970 Nobel Memorial Prize."

For the information of my colleagues, I take this opportunity to insert the Business Week article in the RECORD:

SAMUELSON'S TEXT NEVER GROWS OLD

It all started modestly enough as a departmental assignment for the young associate professor at the Massachusetts Institute of Technology: Write an introductory economics textbook that would not put the school's bright engineering students to sleep. "MIT students had always hated economics," recalls Paul A. Samuelson. "My only requirement from the department chairman was to make the book interesting."

That was in 1945, and Samuelson found it no easy chore to turn the dry statistics and exotic abstractions of the dismal science into lively reading material. The original one-year, half-time task spread across almost three years, but by 1948, when McGraw-Hill Book Co. deemed the manuscript fit to print, "I knew I had something that would sell well," he says.

He was an astute prophet. Next week, 3-million copies later and several million dollars richer, Samuelson will mark the 25th birthday of *Economics: An Introductory Analysis* with the publication of the textbook's ninth edition, which the author calls "the most thoroughgoing revision of the last dozen years." It retains the basic structure of the first eight editions, but adds new material on the history and criticisms of mainstream economics and presents a new "quality of life" measurement as an alternative to the gross national product.

A PHENOMENON

Not that Samuelson has ever needed any special features to put his book across. In its quarter-century in print, *Economics* has become one of the phenomena of the publishing world, rivaled in exposure by nothing in its field except, perhaps, the compulsory Marxist texts of the Soviet Union. Including second-hand sales, it has probably reached more than 10-million readers in 26 languages (including Russian) with its clear, rigorous exposition of post-Keynesian economics.

The success of the textbook has spawned dozens of imitators and some 50 competitors for the lucrative book market in economic principles courses. The only close rival is another McGraw-Hill introductory text by Campbell R. McConnell, now in its fifth edition, which splits about 30% of the market with Samuelson's primer. But the MIT economist has become the standard expositor of the arcane ideas of economics to the general public.

Even Samuelson is surprised at the book's reception over the years. The first edition sold 50,000 copies, "but I would have sold out for the [rights to] 30,000," he says. "And I thought it would be good for only one or two years." He now can count on sales averaging 100,000 a year, with as many as 150,000 during the first year of a new edition. That means annual royalties well into six figures.

A "VINTAGE" REVISION

The ninth edition, a lavishly diagrammed, 42-chapter, four-color production selling for \$11.50, is far removed from the austere 1948 number, whose 27 chapters were illustrated sparsely in black and white and sold for just \$4.50. It is now the central feature of a marketing package that includes a study guide, programmed text, outside readings, instructor's manual, test bank, and transparency masters. But the big selling point for the new edition—and its main contribution, in the author's view—is the introduction of a life-quality indicator that he has dubbed "net economic welfare" or NEW.

Samuelson features the idea, which he adapted from research by William Nordhaus and James Tobin of Yale, in the first chart of the first chapter and treats it later in more detail. NEW, he says, corrects GNP for the benefits of leisure, for household work, for pollution and its abatement, for commuting costs, and for "the disamenities

of urban life," among other things. "You may have to trade off some conventional GNP growth to get more NEW growth," he says. "It's an absolutely overdue concept in economics, that people can trade off quantity of goods for quality of life." Whether or not his exact formulation of NEW catches on, he says, "the quality-of-life considerations that are involved in NEW will be in all the textbooks 10 years from now."

NEW is not the only new feature in the ninth edition, says Samuelson, who terms this a "vintage revision" comparable to the third edition in 1955 and the seventh in 1967. He has added a chapter on the evolution of economic doctrines, an appendix on Marxian economics, and more extended discussions of cost-push inflation, racial discrimination, poverty, the function of the pricing system, urban problems, and what he calls a "belated" treatment of women and sex discrimination. "I could kick myself that this wasn't in the eighth edition," he says. "My consciousness wasn't sufficiently elevated."

AREA OF INFLUENCE

The broad circulation of Samuelson's *Economics* has helped to make the tweedy, crew-cut father of six one of the most influential economists of the century, with a large segment of a whole generation educated by his presentation. But his reputation as an economist emanates more from the scientific work that brought him the 1970 Nobel Memorial Prize for doing "more than any other contemporary economist to raise the level of scientific analysis in economic theory." His 200-odd scientific articles have dealt, mainly in mathematical terms, with virtually every area of economic analysis.

Samuelson, 57, still regards his scientific work as his main concern. This term he is teaching graduate courses at MIT in welfare economics and mathematical economics, writing an article on "Karl Marx as a mathematical economist," and touring Japan and Australia for three weeks in March as a Lincoln lecturer under the Fulbright program. He regards the textbook as "another layer of fame," but points out that his name as an economic scientist had been assured before the first edition of the book appeared.

Nevertheless, Samuelson does not take the textbook lightly. "I've been working on the ninth edition day, night, and weekend since the first of June," he says. The final touch was a revision of data to account for last month's dollar devaluation. He even gets involved in the page display. "I look at every spread," he says. "I think of myself as a student looking at the book at 12 midnight. If a spread looks too heavy, I put in subheads and type variations, so you won't find even a single plain page."

The extra effort is becoming a necessity in an increasingly competitive market. "Samuelson's dominance won't continue indefinitely," says Charles R. Wade, marketing manager for McGraw-Hill's business and economics texts. "How long he can keep his book high on the charts depends upon how well he keeps up with the needs of the field."

LEHMAN INTRODUCES BILL TO COMBAT ALCOHOLISM

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. LEHMAN. Mr. Speaker, today I have introduced legislation to inject new life into the Nation's attack on alcoholism.

My bill, the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treat-

ment, and Rehabilitation Act Amendments of 1973, extends the grant authority of the National Institute on Alcohol Abuse and Alcoholism for another 3 years. The bill provides contract and project grant authority of \$100 million for fiscal 1974 and \$120 million for each of the following 2 fiscal years.

In addition, my bill authorizes additional grants to those States who are delaying adopting the Uniform Alcoholism and Intoxication Treatment Act, because of the expense of setting up treatment facilities required by the act as an alternative to the criminal justice method of dealing with alcoholics and alcohol abusers. This section is aimed at encouraging the States to adopt the principle that alcoholism should be treated as a public health problem, not a criminal activity.

Alcohol is our greatest drug addiction problem. More lives are ruined by alcohol than all other forms of drugs combined.

What makes alcohol even more dangerous is its social acceptance.

I include at this point an editorial which appeared in the North Dade Journal some time ago:

BROTHER DIES, BROTHER CRIES: ALCOHOL STILL HARDEST DRUG

His inner agonies I never knew; I just shined his shoes and loved him.

In those days he smiled a lot, the skin wrinkling oddly over his oft-broken nose. He'd inspect his shoes, declaim vigorously upon my incompetency as a shoeshine boy, toss me a quarter and leave.

I'd have given an arm to have gone with him. But when you're 10, you stay at home, count your well-earned coins and dream of the day when you can be like your idol with his penchant for fast cars, pretty girls and the wilder kind of life.

But dreams do not tarry and when we wake we often find our idols have flown. I saw him only infrequently during the last 15 years; each time he had deteriorated further.

Things looked incredibly fine at first. He married and quickly there were two sons, each more handsome than the other.

But that marriage was wrecked, washed up on the rocks of a bourbon and soda.

Then there was another marriage and another beautiful son. But that marriage drowned also.

Then the physical decline began. A rough and rugged longshoreman became a bent and aging skeleton, alternately bloated and emaciated.

The doctors warned him; another wife watched over him; a mother (as she had for years) wept for him; and a former idolator chastized him.

But he never listened for very long. Instead he assaulted his body with his particular drug: Sunday that body surrendered.

My brother died. At 40 he became another martyr to a drug culture that has flourished in this nation since the Revolution. He never touched heroin or cocaine or LSD.

He drank. And you may believe what you will, alcohol is still the hardest drug of all.

I believe that my bill speaks to the need for continuing the program of a health care approach to the problem of alcohol abuse.

The text of the bill, as well as a section-by-section analysis, can be found on page 6910 in the RECORD of March 8, 1973.

MASSACHUSETTS ANTIPOVERTY FUNDS TO BE ADMINISTERED THROUGH ELECTED OFFICIALS

HON. PAUL W. CRONIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. CRONIN. Mr. Speaker, the Boston Globe printed a story on March 21, 1973, which stated that a bill to have the State assume antipoverty funding, which had previously come from OEO, had been endorsed by a legislative committee and had been supported by the Governor. This funding would allow 24 Community Action Agencies to continue to operate after OEO funding ceases on June 30.

To restate President Nixon's position on Community Action Agencies, the decision to continue or not to continue these agencies should be a local decision and should not come from Washington. If the programs are continued and funding does come from local sources, then the local elected officials can be held accountable for the activities of each program and more efficient and well-managed programs will be developed.

The committee of the Massachusetts Legislature which voted to endorse local funding also voted to allow local decisions to be made by local officials who will be held accountable for the responsible expenditure of the antipoverty dollar.

The basic principle of local accountability has been lacking in the past and is one of the major reasons why so much of OEO funding has been misspent and misdirected.

I include the article to be printed in the RECORD. I hope that more communities will follow the principle of local accountability to elected officials which Massachusetts has initiated.

The article follows:

COMMITTEE BACKS MASSACHUSETTS BILL TO FOOT \$8 MILLION OEO COST

(By Joseph Rosenbloom)

Responding to the cutoff of Federal funds from the Office of Economic Opportunity (OEO), a legislative committee yesterday endorsed a proposal under which Massachusetts would assume the \$8 million cost of operating the state's community action programs.

The Social Welfare Committee also voted to report favorably a bill providing for cost-of-living increases greater than 3 percent for the 350,000 welfare recipients in the state now ineligible for them.

Several hundred persons attended the committee hearings on both measures in Gardner Auditorium of the State House.

Though dozens of proponents waited to testify, the committee terminated the hearings on both bills after less than two hours of testimony on each and voted unanimously in favor of them.

In each case, the heavily partisan crowd, including many welfare recipients and officials, applauded. Seven of the 19 committee members voted in each instance.

The bills now go to the House and Senate for further action.

Administrative heads under Gov. Francis W. Sargent said he supports both pieces of legislation.

Thomas I. Atkins, secretary of the state Office of Community Affairs, said the cutbacks in Federal OEO funds imperil the ex-

istence of the 24 community action agencies across the commonwealth.

"We cannot let their existence depend on the vagaries of national politics," he said.

The community action agencies last year received \$8.5 million in operating funds from OEO. The Nixon Administration has announced that it will discontinue this funding as of July 1.

The 24 agencies last year administered about \$63 million in money from local, state, Federal and private sources for a variety of programs, including day care, work training, drug counseling and family planning, among others.

Rep. Norman S. Weinberg (D-Brighton), who filed the bill, said it would be "cruel" to deprive the indigent "of these services at a time they are so vitally needed."

"We can't just turn our back and walk away from these programs," he said.

According to agency figures, the services, which OEO initiated in 1964, last year benefited 485,456 persons in the state.

In backing the cost-of-living adjustments, Welfare Comr. Steven A. Minter said failure to approve them would render welfare recipients "second class citizens."

The proposal would cover recipients of aid to families with dependent children, of general relief and of disability assistance. Some 57,000 persons who receive old age assistance already qualify for cost-of-living boosts.

The proposal means, for example, that a mother with three children receiving \$73.50 a week in welfare payments would collect an additional \$2.20 a week, assuming a three percent increase in the cost of living.

The bill also calls for proportional adjustments downwards, if the cost of living declines by 3 percent or more.

The committee heard other legislation which would direct the Public Welfare Dept. to issue identification cards for welfare recipients. Without the cards welfare recipients would be unable to cash a welfare check.

Opponents denounced the measure as a "totalitarian step." Several drew an analogy to South Africa, where under its apartheid laws blacks must carry special identification and passes.

Rep. Melvin H. King (D-Boston) said the costs of administering such a system would exceed the savings in the prevention of welfare fraud.

Sponsor of the bill is Rep. Arthur L. Desrocher (R-Nantucket).

GAO REPORT CRITICAL OF OEO

HON. BEN B. BLACKBURN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. BLACKBURN. Mr. Speaker, in an article released on March 17, 1973, Human Events reports that a report which will shortly be released by the General Accounting Office has found may OEO programs deficient in a number of areas. These deficiencies included inadequate controls over cash, payrolls, travel expenses, procurement, consultant services, and property.

In the interest of helping the poor and creating an antipoverty program which actually does work, I insert the following article at this point in the RECORD:

SECRET GAO REPORT SHOWS SCANDALOUS OEO WASTE

Freshman Sen. Jesse Helms (R.-N.C.) who has been digging deeply into the anti-poverty program, has uncovered a draft re-

port from the General Accounting Office that greatly bolsters the Administration's case for scrapping the Office of Economic Opportunity and its Community Action Programs (CAPs).

The confidential report, which will probably be released by Helms this week, is actually a revised version of an earlier draft put together by the congressional watchdog agency last June. Why a final report has never been released remains something of a mystery, but the November 30 document obtained by Helms is a devastating indictment of the OEO program.

The GAO found that in 63 per cent of the programs it reviewed there were "significant deficiencies" in the financial operations. These deficiencies included "inadequate controls over cash, payroll, travel expense, procurement, consultant services and property." In 8 per cent of the cases, misappropriations of funds had occurred which were directly traceable to improper management controls.

Moreover, the public accountants used by OEO agencies to audit individual programs were found to be sadly wanting by GAO. Some accountants, the GAO report stated, inexplicably failed to include known deficiencies in their formal audit reports. Much of the work "could not be accepted as adequate professional performance" and in several cases the accountants "did not prepare or retain work papers showing the nature and extent of the audit work done."

In many cases, said the GAO, the public accountants' performance "raises a question as to their independence and their ability to objectively express an opinion on the grantee's financial statements and accounting and internal control systems."

What is especially significant is that the GAO gathered this data from just a small sampling of the nearly 700 anti-poverty auditing reports issued in fiscal 1970 that originally indicated no critical deficiencies in program operations. (Some 300 reports showed important deficiencies.) Yet in examining only 27 programs receiving grants ranging from over \$200,000 to \$2 million, the GAO found that fully 17 of them had been improperly audited. Here, for instance, are just a few of the specific findings by GAO:

An anti-poverty agency in Iowa, whose certified public accountant had given it a clean bill of health, "had been operating with several serious deficiencies in controls over funds, personnel, travel and procurement practices." Blank checks were being stored in an unlocked desk drawer and there was no control over the facsimile signature check-signing machine.

These weaknesses, charges GAO, "enabled one employe to make unauthorized payments to himself amounting to \$7,035 during a seven-month period. Of this sum, \$6,565 was recorded as salary advances and \$470 as travel advances." About 17 months later—after pressure from the bookkeeper—all of the unauthorized advances had been recorded as recovered, but the GAO report suggests possible fraud here as well.

In reviewing the employe's restitution payments, says GAO, it found that \$760 of the amount recovered represented his refund of a payment (\$1,000 less payroll deductions) he had received for vacation leave but not taken. Yet there were no time and attendance or leave records available to substantiate the propriety of the leave payment. GAO's calculations based on the employe's length of service and his rate of pay indicated that "the employe could not have earned \$1,000 in vacation pay by the time payment was made, even if he had never taken a day of vacation leave."

Moreover, during and after he was making restitution of funds, the employe received two extra salary payments totaling \$705 in addition to his regular pay. But the records

did not show the basis for the extra pay, nor could OEO agency officials provide an adequate explanation for this. Even more curious, the CPA firm had been well aware of all these shenanigans, but had refused to put this information in the audit report because it might have caused the OEO in Washington to terminate the funding of the Iowa anti-poverty agency! Adds the GAO:

"In addition to the lack of time and attendance and leave records for some employes, we noted that: (1) employes were being granted compensatory time off in excess of the amount of leave that they had earned; (2) salary increases were being granted to employes in excess of the 20 per cent limitation in OEO regulations and without the required OEO waiver; (3) purchases were not properly controlled because purchase orders either were not prepared or were prepared after the purchase had been made; and (4) a significant number of travel payments were made which were not supported by travel vouchers. The public accountants were aware of but had not reported the above-noted weaknesses."

A certified public accounting firm's audit report on the operations of a grantee agency in Texas also reflected no significant weaknesses regarding control of financial operations, but the GAO found a number of serious deficiencies.

For instance, no time and attendance records were kept on salaried employes; no records were maintained on employes' leave earned or used; OEO's limitations on starting salaries were not complied with; written purchase orders were not prepared and vendor invoices were paid without evidence that the goods had been received.

In reviewing the few work papers that the public accountant prepared, the GAO found a reference to a case of forgery involving 16 checks totaling nearly \$1,000. But the public accountant had not mentioned this in the audit report, claiming the employe had returned the funds.

The CPA firm reporting on a grantee agency in California affirmed that the agency's controls were adequate. No deficiencies were reported and no costs were questioned in the audit report. Yet the GAO found over 13 serious deficiencies. Some of them:

About 20 per cent of the employes' record of leave earned and used was not being maintained on a current basis; no personnel records were maintained for part-time employes; the anti-poverty agency had not complied with Internal Revenue Code requirement that federal income and Social Security taxes be withheld from wages paid to employes. No records, furthermore, were maintained showing the basis for selecting a particular contractor or determining his fees, and contracts awarded by the agency were not specified as to the scope of the services to be provided or the payment terms.

After reviewing the operations of a different California anti-poverty agency, a licensed public accountant reported no significant weaknesses in the accounting system and only minor weaknesses in the area of personnel records. But the GAO found grave deficiencies, such as:

Two large checks (\$15,000 and \$7,942) were issued for the purpose of providing a camping experience for 1,000 Indian boys, but were made out to an individual in the organization providing services, rather than to the organization. In some cases, the disposition of funds from checks drawn to cash could not be determined. The grantee's executive director was being held liable by the grantee's board of directors for the personal use of \$768 which was entrusted to him to reimburse board members for travel.

Procedures were so loose that one individual who alleged the existence of a contract with the anti-poverty agency was paid \$972, even though a written contract did not exist

and even though the services were not desired by the agency. Travel costs, furthermore, were 40 per cent—or \$20,000—over the budget.

In the program year covered by the audit report, grant funds amounting to about \$4,500 were expended for an unauthorized trip by agency personnel to Alaska. In another instance, the lack of proper approval requirements allowed about \$470 of grant funds to be used to pay for an automobile rented for the personal use of an employe.

These examples, furthermore, are just a fraction of the millions of dollars in waste and unauthorized expenditures that the GAO investigators found in OEO's Community Action Programs. But they clearly point up the reason President Nixon and acting OEO Director Howard Phillips are now diligently trying to eliminate the Community Action Programs and terminate the entire OEO agency.

TENNECO, INC., TAX AVOIDER OF THE WEEK

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. WALDIE. Mr. Speaker, with the date for filing income taxes less than a month away, the average taxpayer in America is entitled to know and to be able to contemplate the amount of taxes that will not be paid by one of the largest and richest conglomerates in the country.

He is entitled to know because he will be making up the difference between what the large corporations ought to be paying in Federal corporate income taxes and what they actually will be paying.

Next month he will be, in effect, helping to subsidize some of the richest, strongest, most economically powerful and overgrown corporations in the country.

He is entitled to know the extent to which he is doing so—and to ask why he is expected to do so.

Therefore, in conjunction with the Tax Action Campaign of the New Populist Action group headed by Senator Fred R. Harris, I am today disclosing for the first time the percentage of Federal corporate income taxes paid in 1971 by one of the most massive of these conglomerates—one which boasts in its advertising that it "touches the life of every man, woman, and child in this land."

At the same time, I am announcing here in Washington the fourth award of the Tax Action Campaign to this particular conglomerate as the Tax Avoider of the Week.

This week's award goes to Tenneco, Inc.—a multi-loophole corporation which controls land holdings of nearly 2 million acres, or twice the size of the State of Rhode Island, and controls 149 subsidiary corporations scattered throughout the world.

It reported net income before Federal taxes in 1971 of \$245,220,000. Clearly Tenneco is no hardship welfare case.

Yet in 1971, Tenneco paid not the standard tax rate of 48 per cent set by law on net income in excess of \$25,000—but

an effective tax rate of no more than 17.1 percent.

The award ought to go more appropriately perhaps to the army of corporate bookkeepers, lawyers, and accountants for Tenneco who accomplished their mission of tax avoidance with efficiency and dedication. The loophole in our tax laws as they exist which made that accomplishment possible deserves the anger and outrage of the average taxpayer.

Tenneco, indeed, "touches the life of every man, woman, and child in this land." It touches them for millions of dollars in what are, in effect, subsidies to the corporation borne by the average taxpayer and running into the millions of dollars.

Sometimes the subsidies are direct.

In 1970, Tenneco received the fifth largest farm payment in the country—\$1.3 million—to subsidize H. M. Tenneco agricultural operations in California, my own State.

Tenneco was further subsidized by the State income tax payers in California and specifically property tax payers in Kern and other counties to the tune of several thousand more dollars under the Williamson Act which was designed to keep land in farming by providing the incentive of tax breaks.

Tenneco is paid by Federal taxpayers, therefore, not to grow crops and by California taxpayers to maintain the land for farming.

In point of fact, there is no way at present to accurately tell how many loopholes are employed by Tenneco and to what extent in order to accomplish a lower tax rate on their Federal corporate taxes than the average taxpayer is permitted to enjoy.

But we do know there is a wide variety of choice which enables the discriminating corporate loophole shopper to find just the break he needs and at the right price.

There is scarcely an activity engaged in by Tenneco, with its 149 subsidiaries, ranging from shipbuilding to cattle ranching, to pistachio packaging which does not bring forth its own tax break.

Perhaps the most intriguing of the corporate activities pursued by Tenneco is in land—an activity which "touches" the lives of family farmers in my own State of California, and our small businessmen, property tax payers and all consumers in a manner which ought to disturb anyone at all concerned with the competitive preservation of any concern which is not a corporate giant.

The acquisition in California most notorious for its impact in this regard has been the acquisition by Tenneco of the Kern County Land Co. and subsequently the proliferation of absentee syndicate farming through the Tenneco marketing apparatus which promises to control agricultural production in California "from seedling to supermarket."

The irony is that the family farmer driven from the fields by Tenneco, the small California businessman forced to close his doors and the consumers who face higher prices from ultimate lack of competition are the same ones subsidizing the operation of Tenneco, Inc., by

being forced to pay higher taxes themselves.

Such tax practices as Tenneco and other conglomerates are now permitted to engage in quite clearly are long overdue for total revision.

The first step is to determine with precision the exact methods employed by Tenneco to achieve its tax avoidance of a fair and normal share of the overall tax burden.

Therefore, I join with others in calling on Tenneco to make this information public and in calling for tax reform to remove the tax inequities which result in average taxpayers subsidizing huge conglomerates.

EDITORIAL SUPPORT IN THE CLEVELAND NEWSPAPERS FOR THE URBAN EMPLOYMENT ACT

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. JAMES V. STANTON. Mr. Speaker, on March 19 I introduced the Urban Employment Act of 1973, which would, for the first time, provide Federal assistance to the large cities in their efforts to retain and strengthen their industrial base. Certainly the need for such legislation has been shown in recent years by the large number of plant closings in the cities, and the industrial migration to suburban and rural areas.

The Urban Employment Act addresses itself to the two major problems confronting industry in the cities: the need for land, and the need for capital. Grants and loans would be offered to cities for the acquisition and development of land, which could then be formed into new industrial parks, and offered to business at a competitive price. Low-cost, long-term loans would also be available to businesses for development of facilities in the cities.

I am extremely pleased that the day after the bill was introduced both of the daily newspapers in Cleveland, the Press and the Plain Dealer, expressed their support for this legislation and other such efforts. I would now like to commend these editorials to the attention of my colleagues:

[From the Plain Dealer, Mar. 20, 1973]

KEEPING JOBS IN CENTRAL CITY

Saving jobs in the central city has become a fierce struggle. Cleveland is striving to stem the outward movement of factories. One method used by other major cities is the "land bank," which offers good industrial sites to companies that might move away.

To bank any central-city land costs more than a city by itself can afford. Land banks have worked so far with the help of the federal Economic Development Administration (EDA). Its grants will be cut off unless Congress passes a pending bill to extend it a year.

Mayor Ralph J. Perk's proposed land bank is therefore in peril. Two area congressmen, Charles A. Vanik, D-22, and James V. Stanton, D-20, are acting to keep the EDA alive, and to revive support for urban employment from the federal level.

A City Planning Commission study recently showed that land bank land in a central-city industrial area would cost \$158,761 an acre. Out in Solon or Twinsburg similar land is priced at \$15,000 to \$20,000.

Without a subsidy it would be impossible to swing the central-city land bank at that spread of prices.

Rep. Stanton has introduced a bill which would lend a city 90% of the purchase price for the land. The money could also be used for demolition. Corporations, too, could borrow for construction or to buy equipment. His bill, the Urban Employment Act of 1973, was put together after meetings with Mayor Perk, labor, business and planning spokesmen here.

Without some such federal help central-city jobs can melt away, or be lured to other communities. Cleveland's unemployment hit 11.8% in 1971. That was the highest for the 20 largest U.S. cities. More than 45 manufacturing concerns and more than 25,000 jobs were lost by Cleveland in 10 years, according to Vanik.

Without the strong help of a federal program it will be impossible for Cleveland proper to hold on to the jobs now at stake in its innermost neighborhoods.

[From the Cleveland Press, Mar. 20, 1973]

PUTTING LAND IN BANK

The proposal to help big cities set up "land banks" with the help of federal dollars is an innovative way to protect jobs and keep industry from moving out of urban centers.

Legislation for this was introduced in Congress yesterday by Cong. James Stanton. His bill envisions "banks" of land bought by cities for resale to businesses that might otherwise move from the cities, putting employees out of work.

Stanton views this as attacking the problem of unemployment on another front. Noting that the Federal Government often trains workers for jobs that turn out to be nonexistent, the congressman proposes a measure to insure that businesses stay in big cities where the unemployment problem is most critical.

The City Plan Commission completed a study recently which showed that the high cost of land is jeopardizing Cleveland's efforts to start on its own a land bank for industry.

For instance, Cleveland would have to sell land in the Woodland area for more than \$150,000 an acre to recoup its investment. That is an outlandish price, considering industry could buy land in some suburbs for as little as \$20,000 an acre.

The Stanton plan would create a pool of \$450 million which cities could tap for 90% of the purchase price for land for industry. The city would develop the land and hold it for resale at prices which would compete with cheaper suburban acreage.

There has been a great deal of handwringing in recent years about the flight of industry from Cleveland, but there have not been many bright ideas about how to stem the exodus. Now Stanton has come up with one, and we hope his colleagues in the Congress lend their support to his proposal.

VIETNAMIZATION APPEARS TO BE SUCCEEDING AT LAST

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. LEGGETT. Mr. Speaker, our combat presence in Vietnam is, at long last,

at an end. This does not mean however, that we can turn our attention away from that area without fear of consequence. Now is the time when the fruits of Vietnamization, if there are to be such fruits, will begin to show.

A recent GAO report on the logistic aspects of Vietnamization indicates that there has been substantial progress in many areas of the Vietnamese military toward self-sufficiency. There are relatively few U.S. military technical advisers in Vietnam, and that number is steadily decreasing. The ARVN is now extremely well-equipped for almost any function it could conceivably be called upon to perform. Training is going forward rapidly and with success; GAO states that Vietnamese military personnel adapt and train well, and ever-increasing numbers of them are becoming proficient in such essential areas as automatic data processing. ARVN road transportation is rated by U.S. experts as thoroughly capable of performing their assigned tasks, and the roadbuilding program currently underway will provide Vietnam with over 3,000 miles of modern, high-speed highways linking all major population centers. The Vietnamese naval shipyard will also achieve complete self-sufficiency in the very near future.

All these are highly encouraging developments. They point, hopefully, to a time when the Vietnamese will be capable of defending themselves locally without our help. This is not to say, however, that all difficulties have been overcome.

While top Vietnamese management is capable and effective, it is spread very thin, and there is a severe shortage of trained middle managers; control over military material susceptible to black marketeering requires improvement; Vietnamese contractors capable of filling military needs are still scarce; the quality of some military maintenance is questionable, although some is demonstrably superior. None of these problems is so severe, however, that it cannot be overcome, and progress is good.

There remain two major problems that are not so easily solved as those previously mentioned. First, the Vietnamese military establishment is far too large for the Vietnamese economy to support. Admittedly, this is due almost exclusively to the fact that Vietnam has had war as its No. 1 priority for so long. We should hope, however, that the coming peace will be of such a nature that two things will happen: First, the Vietnamese economy will be able to recover to the point that it becomes strong enough to support a reasonable military force; and second, after elections have taken place, all military forces in Vietnam would be drastically reduced in size. These actions would be complementary, and certainly beneficial to all concerned. The unfortunate alternative is a Vietnamese economy so overburdened with the requirement to support a vast military force that it would require massive and constant aid to keep from collapsing.

The second major problem is that, in our munificence, we have given to the Vietnamese military items which there is

no conceivable way for them to support unaided. We do our allies no favors by creating in them appetites that they cannot afford, whether because of advanced technology or sheer expense. I would hope that we would be able to confine our assistance to the type of equipment that the recipients could reasonably be expected to support by themselves shortly after receiving it.

This report provides encouraging news at a time when it is sorely needed. No longer is aid on a massive scale required to promote stability in another part of the world, and that is most fortunate because aid is sorely needed for some of our own domestic problems. It is my hope that some of the same successes we can point to abroad will soon begin to appear here at home.

THE 25TH ANNIVERSARY OF NATIONAL ACADEMY OF TELEVISION ARTS AND SCIENCES

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 27, 1973

Mr. REES. Mr. Speaker, the Hollywood Chapter of the National Academy of Television Arts and Sciences will celebrate the 25th anniversary of its founding on its annual local area Emmy Awards telecast to be aired in Los Angeles over KTLA, on April 28, 1973.

The Hollywood Chapter of the Academy is the founding chapter, expanded to include New York in 1957, and now including chapters in Chicago, Baltimore, Columbus, Phoenix, Washington, D.C., St. Louis, Seattle, San Francisco, and San Diego. In addition to bestowing the coveted Emmy Awards for outstanding achievement in television, the academy contributes to the development of talent in TV by awarding scholarships and fellowships each year to many promising students and professors in the communications arts.

In addition, the academy continually and tirelessly acquaints its membership with the latest technological developments in the industry, seeks and helps fledgling talent, provides monthly forums and seminars on pertinent topics of interest to all concerned with the growth of television, and stages viewings of foreign television shows for comparative and competitive purposes.

To assist in these functions, the academy maintains the vast and informative archival library of the industry at UCLA on the west coast, and at NYU in New York and American University in Washington, on the east coast, where are preserved films, tapes, kinescopes, scripts, and artifacts representing the development of the industry.

The academy is a truly definitive and unbiased spokesman for the industry because its membership includes the leadership of both management and labor. It is my feeling that the Congress should congratulate the Hollywood Chapter of the National Academy of Television Arts

and Sciences on its 25th anniversary of activity in developing television as a creative and provocative communications medium, and should encourage the academy to continue its many rewarding contributions to the industry.

IMPACT OF FEDERAL BUDGET ON THE UNIVERSITY OF CALIFORNIA: \$100 MILLION LOSS

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mrs. BURKE of California. Mr. Speaker, Charles Hitch, president of the University of California, has made a comprehensive review of the impact of the proposed administration budget, and he estimates that the total cumulative impact on the university through the 1974-75 fiscal year would be approximately \$100 million.

The analysis of President Hitch, which follows below, discusses the specific impact on the university in the areas of student financial aid, graduate student assistance, health manpower, research, agriculture science, and regional medical and other public service programs:

IMPACT OF THE PROPOSED 1972-73 AND 1973-74 FEDERAL BUDGETS ON THE UNIVERSITY OF CALIFORNIA—A FOLLOW-UP REPORT

(By President Charles J. Hitch)

This report supplements my report of last month. It comments on some of the specific Federal programs listed in the attached table and discusses the impact of reductions on University programs and functions.

On February 15, I estimated the total cumulative impact on the University through the 1974-75 fiscal year would approximate \$80 million. Subsequent reports from the campuses caused me to reestimate that the gross reduction may be on the order of \$100 million over the next 27 months. As time passes, the figure continues to grow. The attached table estimates a \$37.9 million reduction in 1973-74 and a \$66.5 million reduction from the 1972-73 level in 1974-75, for a cumulative total of \$104 million during the next two years.

Let me point out that these Federal impact figures are gross rather than net figures, in that they reflect estimated reductions in those programs which will be reduced but do not take into account possible increases in other programs. There will be some offsets, but how much they will amount to is far from clear. For example, the new Basic Opportunity Grants program will benefit students directly and, thus, will not be reflected in University records, but they will replace to some extent reductions in institutionally administered financial aid. The same is true of the Federally Insured Student Loans made to students by banks. Also, increases are expected in research grants and contracts in certain areas, and we are receiving some Federal salary range adjustment funds. But the program reductions which have been identified and which I would now like to describe will be very real.

I am informed that the Nixon Administration is determined not to increase any Federal departmental budgets. However, the constituent agency budgets within the departments may be revised to reflect increases in certain programs and reductions in others. I will recommend to The Regents' Special

Committee on the Federal and State Budgets that we seek appointments with key Administration officials to explain the adverse impact of certain proposed funding levels and how they affect programs vital to the health, well-being, and future prosperity of the Nation and the State of California.

Let me now comment on some of the figures presented in the accompanying table.

STUDENT FINANCIAL AID

In the established category programs, there will be a dramatic shift from institutionally awarded and administered funds to those awarded through the BOG (Basic Opportunity Grants) program by an as yet undesignated agency. In Educational Opportunity Grants (now known as Supplemental Opportunity Grants) and National Direct Student Loans, University of California students will lose about \$9 million in financial aid in FY 1973-74. Although we know that our students will qualify for direct Basic Opportunity Grants, the program will not be fully funded, and we and students will not know before fall, at the earliest, the amounts to be paid. Some campuses estimate that BOG grants to their students may total only 25% of the terminated categorical aid programs. The consequence, if alternative fund sources are not developed, will be a serious setback in the University's concerted effort to improve access to disadvantaged students in both undergraduate, graduate, and professional levels. In the Work-Study program, the funding level in the Federal budget, as proposed, will remain the same but proprietary and vocational schools will become eligible to share in the allocation of available funds. The estimated impact on the University is a more than 25% reduction in this very worthwhile self-help program, over \$900,000.

GRADUATE STUDENT ASSISTANCE

Many graduate student traineeship, fellowship, and scholarship programs are being phased out. Although it is extremely difficult to obtain precise summary data because of the many Federal programs involved, the best estimate to date is that graduate student and related institutional support will drop from \$23.6 million in 1972-73 to \$13.7 million in 1973-74, another reduction of nearly \$10 million.

Many of these programs are in the health sciences, mental health, and biomedical fields, and a substantial proportion of these funds support instructional programs. One of the consequences of these reductions may be to force admissions committees to include as criteria a student's ability to support himself and not just academic criteria. Nothing could be less desirable than to become "elitist" in an economic, rather than an academic sense. Secondly, many of the fields involved include areas where there are manpower shortages. Society needs biomedical research scientists, mental health workers, specialists in areas of alcoholism, drug abuse, suicide prevention, and other contemporary problems. Thirdly, these reductions will make a serious dent in total Federal graduate financial resources. One campus reports that graduate assistance will drop 24% in 1973-74 alone and 15% in 1974-75. Finally, pre- and post-doctoral trainees have played an important role in both the research and instructional programs in our medical schools and general campus life science programs. Their disappearance would be a grave loss to our undergraduate students.

HEALTH MANPOWER

In 1970, the Federal government declared a crisis due to the shortage of health care personnel and challenged America's colleges and universities to train the desperately needed additional professionals and their as-

sistants. We have responded to that challenge by increasing our enrollments to qualify for Federal health capitation grants, and in November, 1972, the people of California approved the funds necessary to construct the facilities needed to train these students. We now find that this Federal support is not to continue in the vital areas of health sciences capitation grants or institutional assistance for nursing, veterinary medicine, pharmacy, optometry, public health, and allied health fields. In these areas, the prospects are as follows: 50% reductions in 1973-74 and termination in 1974-75 of capitation funds for veterinary medicine, pharmacy, nursing, and optometry; and complete elimination of federal funds for public health, nursing, and allied health instructional support in 1973-74. Losses will total \$1.6 million in 1973-74 and \$2.7 million by July 1, 1975. Capitation funds support 31% of the Berkeley School of Optometry instructional budget, 15% of the Davis School of Veterinary Medicine budget, and 40% of the San Francisco School of Nursing budget.

RESEARCH

The research picture is particularly unclear. Certain programs will be increased, for example, NIH's Cancer Research Grants. However, these programs are not reflected in the discussion below or in the table. It is impossible to guess to what extent the University of California will be affected. On an overall basis, expenditures are currently exceeding expectations, but there is ample evidence to indicate that the current bull market is about to turn bearish, and I don't think this bear will be golden. We have been advised by campuses that many Federal research programs will be reduced. These reductions are estimated to have a \$9.6 million impact on the University in 1973-74 and a \$23.2 million impact in 1974-75. On the other hand, there are increases in some categories of Federally supported research, and campuses are generally optimistic that our faculty can successfully compete for whatever resources are available.

A substantial proportion of the reduction is expected in the National Institutes of Health Competing Research Grants Program. Our campuses report their prospects for expenditures in 1973-74 amount to only \$23.9 million contrasted with some \$28.7 million awarded to them last year.

NIH General Research (and Biomedical Sciences) Support Grants are being phased out. Let me quote from Chancellor McElroy's report for the San Diego campus:

"General research support funds have been used over the years to support faculty in part, to initiate promising research, provide continuity in productive research projects, and meet a wide array of needs in the research program for which no other ready source of funds is available. Phased reduction to zero of the general research support grants over the next several years will seriously affect the vigor of the biomedical research efforts at UCSD School of Medicine as well as others. While the GRS funds are small in comparison with the total research funds coming to the institution, they are used in such a way as to have an effect on the research effort beyond that which would be immediately implied by the amount of the funds."

University-wide, we face losing \$2.3 million per year of very flexible research support funds which have added quality and depth to both general campus and health science research programs.

In addition, we face the reduction of National Science Foundation ship operation funds used in conjunction with our Department of Commerce Sea Grant funds. Research efforts of great importance to the marine resource program which have been built

up at the Scripps Institution of Oceanography and at other cooperating University and State University campuses will level off this year and then face reduction unless restorations are made in the Federal budget or we receive a State augmentation.

The NASA research budget is also reduced, but our campuses believe that they will compete successfully for those funds available, and perhaps be able to hold even in the year ahead.

At our four AEC-funded Laboratories, we have received preliminary reports that personnel reductions totaling some 475 scientists and support staff will be necessary. The programs at the Lawrence Berkeley and Lawrence Livermore Laboratories will be hardest hit. The dollar impact is in addition to the campus research reductions contained in the attached table.

FEDERAL APPROPRIATIONS—AGRICULTURE AND OTHER

The proposed Federal cut of \$550,000 in Hatch Act and other Federal appropriations in the Agricultural Sciences would eliminate 25 FTE Research Scientists. It is based on the notion that our efforts are "primarily of local concern" and therefore of "low national priority." This is incorrect, and in any event a short-sighted policy. California produces more than 90% of sixteen important agricultural commodities, and about one-quarter of the entire U.S. food supply.

These cuts would reduce efforts in such vital areas as the control of crop-destroying, disease bearing insects by non-chemical means—an approach largely developed at the University and now being copied throughout the world. Studies in solid waste disposal, poultry and cattle disease control, development of new high yield plant varieties, genetic improvement of livestock, and new methods of irrigation are developing information vital to California agriculture, but equally valuable beyond the State's borders. More than half of these funds are aimed at the problems of natural resources and people in such areas as: water, air, and soil pollution; erosion control; wild-fire prevention; wildlife protection and management; watershed improvement; improvement of employment opportunities for the rural disadvantaged; enhancement of rural community services; and improvements in human nutrition. Truly a kaleidoscope of concerns that are vital to the State and the Nation.

The benefits of all these endeavors are not restricted to farmers, but aid in sustaining a viable food and fiber industry and in the improvement of the economic and social welfare of rural and urban families. These funds must be replaced so that our faculty members may continue their important research without interruption.

In addition to the reductions in Federal appropriations in Agriculture, Bankhead-Jones funds are also being terminated. This \$363,000 appropriation always supported basic instruction costs and is virtually indistinguishable from State funds in its use. The reduction affects 30 FTE faculty in several disciplines, including agriculture, home economics, chemistry, and engineering.

REGIONAL MEDICAL AND OTHER PUBLIC SERVICE PROGRAMS

The discontinuance of Regional Medical Programs (from \$5.4 million in 1972-73 to zero in 1974-75) will remove an important catalytic agent between the University's health sciences faculty and their respective communities. Continuing education programs for community health personnel, programs which are stimulating the general improvement of health care and specialized treatment programs, will all suffer. Some student residency programs will also have to be discontinued, including a family practice resident program in Sonoma County.

UNIVERSITY OF CALIFORNIA, SUMMARY OF REDUCED FEDERAL PROGRAMS AND PROPOSED STATE AUGMENTATIONS, 1973-74

Federal programs	Estimated expenditures			1973-74 proposed special State augmentations			Financial aid and graduate traineeships
	1972-73	1973-74	1974-75	Instruction	Research	Public service	
1. Federal appropriations (Bankhead-Jones, Hatch Act, McIntire Stennis, etc.)	\$913,000	0	0	\$363,000	\$404,000	\$146,000	
2. Health manpower instructional support ¹ (capitation funds, Hill Rhodes, etc.)	3,139,000	\$1,566,000	\$400,000	1,683,000			
3. Graduate student assistance and related institutional support	23,618,000	13,722,000	3,542,000	3,000,000			\$3,000,000
4. Student financial assistance (grants, loans, work study)	14,755,000	4,802,000	4,079,000				\$908,000
5. Research ⁴	39,212,000	30,654,000	16,004,000		\$382,000		
6. Regional medical and other community service programs	9,215,000	2,221,000	270,000	\$211,000			
Total	90,852,000	52,965,000	24,295,000	5,257,000	786,000	146,000	3,908,000
Gross 1973-74 Federal reduction		-37,887,000					
Gross 1974-75 Federal reduction from 1972-73			-66,557,000				
Total State augmentations		10,097,000					

¹ Capitation funds include only programs which will be phased out.
² Instructional support principally for NIH and NIMH traineeships and language and area centers.
³ The regents' budget also contains a \$2,000,000,000 request for EOP. The \$500,000 is for work study.
⁴ Federal programs which will be reduced.
⁵ For marine sciences research only.
⁶ Family practice residents program and nurse practitioner program.

WELCOME VETERANS OF VIETNAM

HON. FRANK E. DENHOLM

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. DENHOLM. Mr. Speaker, the cease-fire agreement in Vietnam, however delicate or fragile, was welcomed by all Americans weary of war. It was the end of despair—and this is a time of new hope—as the men and women who have served their country with honor come home to loved ones and a future of their own making.

The personal sacrifice of years of war was more than frustration and individual hardship—it was an endurance of national morale.

There is no easy way to say "thank you" to so many that have done so much but to all I ask that my humble words to a great American of my congressional district be printed as a message to each and particularly to those Americans held for years as prisoners of war for what they have done and for what they have sacrificed in the defense of freedom and liberty:

Capt. RONALD M. LEBERT, USAF
 Watertown, S. Dak.

DEAR CAPTAIN LEBERT: May I join in humility and pride with your family, friends and a grateful American people in expressing to you my sincere gratitude for your personal sacrifice for all of us. I may never know—but I shall always appreciate a sense of your joy in coming home after years of courage and duty with honor for your country.

You are welcome by the fireside of your countrymen—warmed by the friendship of freedom and the love of all that believe in the Liberty that you have so ably defended for God and country.

Your honest reward is beyond the command of man and may your memories of comrades and country never be forgotten.

Thank you, Sir—Thank you very much.

Sincerely,

FRANK E. DENHOLM,
 Member of Congress.

It is appropriate that on Saturday of this week, March 31, 1973, that a grateful America will demonstrate on the streets of New York a symbolic public expression of lasting gratitude and a welcome home to the American service

men and women from the battlefields of Indochina. Happiness, home and honor to men of good will—and to the hurt, injured, dead and missing should we give—our prayers forever. And may they never be forgotten.

A REMARKABLE SEASON

HON. DONALD D. CLANCY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. CLANCY. Mr. Speaker, in the 51 years of Ohio State basketball tournament history, no Cincinnati team had been able to win the big school division, class AAA.

It gives me great pleasure to report that Elder High School won the State AAA crown Saturday, thus, perhaps, setting a precedent for future Cincinnati teams.

The championship is particularly pleasurable to Elder High School, its students, officials, parents, and alumni, because Elder this year is celebrating the 50th anniversary of its founding. The championship adds luster to the birthday cake.

The Elder Panthers, coached by Paul Frey, are Steve Grote, who has won almost every accolade this school year for his basketball and football skills, Bill Earley, Rick Apke, Henry and George Miller who are twins, John Sharbill, Paul Niemeyer, Ken Brown, Jerry Voegel, Dick Dedel, Donald Kuhn, Terry McCarthy, and Jim Stenger. The assistant coaches are Tom Bushman and Ray Bachus, and the athletic director is Father Edward Rudemiller. The student managers are Bob Wolfram, Mike Keys, Greg Ellison, Bob Meyer, John Duennes, and Joe Berkemeyer.

The team compiled a 22-4 season win-loss record, despite playing against consistently taller teams. The squad's biggest man is its center, Rick Apke, who is 6 feet 4 inches tall. The four lost games were in the early part of the season before Coach Frey merged teamwork and a zone defense with the players' natural hustle, quickness, and aggressiveness.

The unselfishness, the willingness to work together as a team and the desire to excel are a credit to the school, the city of Cincinnati and the State of Ohio. All citizens of the Greater Cincinnati area and the State of Ohio offer sincere congratulations to the basketball champions and Elder High School.

BYELORUSSIAN INDEPENDENCE DAY

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. HELSTOSKI. Mr. Speaker, on March 25, 1918, the Byelorussian people proclaimed their independence and established the Byelorussian National Republic as a free and independent nation.

I am greatly pleased to join my colleagues in the House of Representatives in paying tribute to the Byelorussian people on their day of national independence. This day is being celebrated by Byelorussians throughout the free world, and I am sure that their friends and relatives who remain in their homeland would greatly enjoy being able to join in the celebration.

Mr. Speaker, in population Byelorussia approximates 10 million. To this we can add about 4 million Byelorussians in the Federated Russian Republic and close to a million distributed among the People's Republic of Poland, the Lithuanian S.S.R., and the Latvian S.S.R. This makes Byelorussians in European U.S.S.R. the third largest nation after the Russians and the Ukrainians, and the majority of the Byelorussians live in the Byelorussian S.S.R. The present capital of the B.S.S.R. is Minsk.

In religion the overwhelming mass of the Byelorussians are Orthodox. There is a Roman Catholic minority in the western district which were on the Polish border and there are small numbered groups of Protestants, chiefly Baptists and Methodists.

During World War I, which had overthrown some governments and weakened

others, Byelorussia had awakened to state life. After 3½ centuries of slavery the Byelorussians proclaimed to the entire world that they were living and will live. The Great National All Byelorussian Congress of December 5-17, 1917, caring for the fate of the Byelorussian people, had established on their land a republican system. Carrying out the will of the Congress and protecting the state rights of the people, the executive committee of the Rada of the Congress and protecting the state rights of the people, the executive committee decreed on the state order of Byelorussia and the rights and freedoms of its inhabitants and peoples.

This relatively rapid evolution of the state ideology among the active Byelorussian political workers in Minsk was hastened by events which in the meantime were taking place in the political and cultural center of western Byelorussia, Vilnia, which was separated from the central and eastern areas of Byelorussia by the rigid line of the front and then, after the occupation of Minsk by the Germans, by a no less rigid frontier of the military administrative division.

A second constitutional decree established first the provisional form of the Byelorussian National Republic (B.N.R.) so as to create its complete independent statehood. The further action of the Rada and its executive committee was only the logical result of the situation created by the second constitutional decree. On March 19, 1918, the Rada of the All-Byelorussian Congress broadened its membership by taking in representatives of the cities and counties and became the Rada of the Byelorussian National Republic. Of the national minorities that entered into the Rada, there were seven Jews, four Poles, two Russians, one Ukrainian, and one Lithuanian. A presidium was set up consisting of Dr. I. Syerada, Y. Varonka, and K. Ezavitau. On March 23, the Rada was joined by representatives of the Vilnia Byelorussian Rada.

Then, on March 25, 1918, the Rada of the Byelorussian National Republic solemnly proclaimed the independence of Byelorussia and established it as such through the publishing of the third constitutional decree which contained the official proclamation. All the Byelorussian political parties, representatives of the Jewish parties, Poalej Syon and Bund, and the representatives of the Polish Socialist Party headed by Prystor, the future Prime Minister of Poland, voted in support of this act. Votes opposed were cast by the Russian Constitutional Democrats—Kadets, and the Russian Socialist Revolutionists—Esers, who formed part of some delegations of a few cities and counties. These even withdrew from the Rada of the B.N.R.

The Byelorussian Government quickly set to work to expand its activity in all fields of national life, with the exception of the military. The Germans forbade this. In spite of great difficulties connected with the war and the devastation of the country, the government made significant advances in the fields of education, culture, social protection, et cetera.

It was also very active in the international field, trying to secure recognition

from other states and opening up diplomatic and consular offices in a series of countries. The Byelorussian National Republic was recognized de jure by Austria, Czechoslovakia, Estonia, Finland, Georgia, Latvia, Lithuania, Poland, and Ukraine. It was recognized de facto by Bulgaria, Denmark, France, and Yugoslavia.

After the occupation of Byelorussia in July 1944, Soviet Russia reestablished the B.S.S.R. with all its former details. The one thing new was the admission of the B.S.S.R. in the organization of the United Nations as an independent state and a founding member.

From the very beginning, the occupation by the Communists brought a bloody reprisal on the Byelorussian people. Everything which had a national character was wiped from the face of the Byelorussian land as a manifestation of "Byelorussian bourgeois nationalism." In the cities and towns they undertook mass deportations of Byelorussian national and cultural leaders. In Smolensk, Minsk Vitebsk, Vialyka, and other cities there were public hangings of the artists of the Byelorussian theaters, teachers, officials of institutions, priests, workers in the relief, et cetera. Mass arrests, shootings, and deportations to concentration camps were carried on of peasants who had left the kolkhoz for individual agriculture.

In 1944, the male population of Byelorussia was taken into the Soviet army and without training sent to the front, where they perished in masses. In the B.S.S.R. the slave kolkhoz was quickly reintroduced, and this time all of rural Byelorussia was collectivized. The independent Byelorussian church was destroyed and in its place was set up the Russian church with its center in Moscow.

Mr. Speaker, I feel that the spirit of healthy nationalism is very strong in Byelorussia. I am sure that in every family in Byelorussia there was at least one member of the family who was destroyed or arrested for supporting the Byelorussian liberation movement.

On this day of national commemoration it is fitting, therefore, that we Americans pay tribute to the gallant Byelorussian peoples. It is also fitting that we take this occasion to reassert our own faith in the principles of democracy, for it is those principles in which we find strength to sustain ourselves as a nation in the trials of the present and future, and it is also in those principles that we find the greatest inspiration for all men who seek a better life.

It is my hope that on this 55th anniversary of Byelorussia's Declaration of Independence, that her spirit of freedom will emerge in triumph and that the liberty of her people will be restored.

"THE GODFATHER"

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. RONCALLO of New York. Mr. Speaker, "The Godfather" which is on the way to becoming the biggest money

earner in the movie industry provided the vehicle for Marlon Brando to be awarded the Oscar as the best actor. His portrayal of the "Godfather" deprecates and casts a shadow on all Americans of Italian heritage by apparently convincing a great many of the people of this great land that the lifestyle of the "Godfather" is typical of all Americans of Italian heritage. Mr. Brando is a theatrical prostitute who seeks to captivate the imagination and accolades of one minority group at the expense of another. Mr. Brando is a man who fights for many causes—any cause; it is part of his theatrical mind. He deserves one other Oscar—the biggest phony of the year.

ECONOMIC OPPORTUNITY ACT AT WORK

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. CLAY. Mr. Speaker, we hear a lot of talk these days about the failure of programs operating under the Economic Opportunity Act. Many of us in Congress disagree with these accusations. We believe the Economic Opportunity Act has had a tremendous, positive impact on our communities.

One such program, funded under the Economic Opportunity Act is "Special Impact: or Title 1-D, which provides seed money to urban and rural communities to stimulate business potential and thereby help such communities to revitalize themselves economically."

The Union Sarah Economic Development Corp. in St. Louis, Mo. is a fine example of what special impact can accomplish. The program funded by a \$2.1 million grant from OEO is serving the St. Louis community in an extraordinary fashion.

The March issue of the St. Louis West End World has featured the Union Sarah Corp. and I commend this article to my colleagues.

The article follows:

UNION-SARAH ECONOMIC DEVELOPMENT CORP. WORKS FOR AREA IMPROVEMENT

Blight and the concomitant evils of crime and disease are on the increase in cities across the country. In St. Louis, as in most other major cities, the conditions under which many people live strains the credulity of even the most callous. And yet, many in our city have more and live better than their fathers ever dreamed. But these enclaves of relative well being become fewer each year while those of poverty increase. This article concerns one effort, that of the Union-Sarah economic Development Corporation (USE DC) to reclaim the city as a viable community for all who live within its boundaries.

For those not familiar with USEDC, it is a St. Louis-based community development corporation funded by a \$2.1 million grant from the Office of Economic Opportunity. It is a for-profit corporation dedicated to improve the economic conditions of its residents through creating new businesses and encouraging others to locate in the Union-Sarah area, and by assisting, financially and otherwise, existing business. To this end USEDC has established subsidiary corporations in real estate investment and development, manufacturing, and retail business,

and has assisted small contractors and businesses by providing low interest loans and technical help. It has been unsuccessful in attracting other new business, and is less than satisfied with its impact on area unemployment.

One of 42 community economic development corporations across the nation, USEDC faces those problems endemic to all efforts created to alleviate poverty; e.g., lack of technical assistance, insufficient community support, and a large dose of that deadly small business disease, economic Darwinism. USEDC has learned that although small business efforts are fine, and entrepreneurship has its value, effective economic development demands projects that are labor intensive. In short, employment is the name of the game. Also, the experience of community development corporations nation-wide indicates that efforts of this magnitude are possible only when those who control the markets, the large corporations, are involved.

In 1971, nine major St. Louis based corporations spent a total of \$510,836,000 in capital expenditures—i.e., new plants and additions. Of this amount, \$200,000 was spent in the city of St. Louis, none of which was labor generating. These same corporations enjoyed sales of almost \$11 billion and profits of over \$397 million. Recent news releases indicate that in the coming year the story will be the same, as one company has announced plans for new plant construction of nearly \$200 million and another company announced a projected expenditure of \$100 million, none of which is likely to be designated for the city of St. Louis. It seems reasonable to ask, why is this?

Are the corporations going to abandon the city of St. Louis, or will they recognize that they are public as well as private and that poverty, disease, and crime are their concern as well as the concern of each of us as individuals?

USEDC is asking that St. Louis corporations join with them in stemming the tide of unemployment and city blight by (1) Participating in joint ventures with USEDC to establish plants in the area, (2) Provide sub-contracts so that USEDC can create new manufacturing efforts, or, (3) Establish plants in the Union-Sarah area instead of Florida, Georgia, or wherever.

To west end residents, we appeal for support in our efforts to convince our major corporations that their welfare and best interests are tied not just to profits, but to the health and vitality of the total community.

REMARKS ON PROPOSED SOCIAL SERVICES REGULATIONS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. LEHMAN. Mr. Speaker, on March 15, the Select Subcommittee on Education held hearings on the proposed social services regulations to the Social Security Act.

Although I did not offer prepared testimony at those hearings, I would like to include in the RECORD my remarks as a member of the subcommittee on these proposed regulations:

REMARKS OF CONGRESSMAN WILLIAM LEHMAN

Thank you for calling this meeting, Mr. Chairman. One of the best programs we have had in Florida is, of course, the day care centers. As you stated, it seems the big problem in this country today is not necessarily the welfare problem but the working poor problem. That is so much broader and so much greater, I think, than the smaller

welfare problem, and yet every single stumbling block possible seems to be thrown in the way of those who want to work.

The old work ethic thing has every possible stumbling block, whether it is the day care center problem or many other things that seem to be thrown into the way of the working poor people.

Perhaps these kinds of hearings should be extended, if the Chairman would consider that, into the areas where day care centers are functioning. There is something about the impact of being where it is happening that would be beneficial.

In a way, not only is the Administration seeming to me to be against work itself, but even against Christian charity, by prohibiting private grants.

THE LEGACY OF JEFFERSON AND JACKSON

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. WALDIE. Mr. Speaker, recently I attended a Jefferson-Jackson dinner in San Jose, Calif. At that dinner, I had the distinct pleasure of listening to a rather eloquent speech given by Dr. Samuel Bloom on the legacy that Thomas Jefferson and Andrew Jackson left for future Americans.

At this time Mr. Speaker, I would like to submit into the RECORD the text of Dr. Bloom's speech and urge that my fellow colleagues take a few minutes in the press of business to read the rather eloquent thoughts of Dr. Bloom and take note of their relevance to the business of the Congress in this day and age.

The text reads as follows:

THE LEGACY OF JEFFERSON AND JACKSON

(By Dr. Samuel B. Bloom)

When Jefferson took office as President in 1801, he said in his inaugural address that now we were all Federalists, all Republicans. This was supposed to usher in an era of good feelings. However, the era got off to a very bad start. Before Adams went to bed, the night before the inauguration, he stayed up until past midnight appointing judges and justices of the peace to the newly reformed federal judiciary. It was no surprise that all the commissions were for loyal Federalists. When Jefferson refused to deliver these commissions a series of events were initiated leading to the famous Marbury vs. Madison decision. This was the decision, I am sure you all know, establishing judicial review of legislative acts. John Marshall, chief justice and a most avid Federalist, knew that Adams had appointed these judges and justices hoping to stem the Republican tide with Federalist dams in the judiciary system just in case all other instruments of government did not. Marshall realized that there was no power in the Supreme Court to force the executive branch to deliver the commissions but he used the court as a podium for attacking Jefferson and his party, holding Jefferson up to public ridicule, hoping to persuade the general public that they had elected a man so sunken in sin, so depraved, so wicked that he could not be expected to fulfill his commitments to carry out the laws of the land honorably, for here he is unwilling to deliver signed and sealed commissions, merely a routine administrative procedure. Jefferson and Marshall were fellow Virginians, distantly related, for a time brought up together and both trained in the legal system. Political feelings and animosities kept these two great Americans apart

and enemies to such an extent that, although they lived and worked in the same city for more than thirty years, they never exchanged a word.

Politics then was a full-bodied way of life, rich with feeling, emotion, and prejudice. Does it violate your image of the Founding Fathers to hear that Jefferson attacked the party of Washington as "... an Anglican monarchical and aristocratical party ... whose avowed object is to draw over us the substance, as they have already done the form, of the British Government. ... It would give you a fever were I to name to you the apostates who have gone over to these heresies. Men who were Samsons in the field and Solomons in the council, but who have had their heads shorn by the harlot England". Stung, and recognizing himself as the object of the barbs, Washington wrote to Jefferson, "... I had no conception that parties would or even could go to the length I have been witness to ... that every act of my administration would be tortured, and the grossest and most insidious misrepresentation made of them ... and that too in such exaggerated and indecent terms as could scarcely be applied to a Nero, a notorious defaulter or even a common pick-pocket".

After Washington left office, the two never met or corresponded. The fundamental political principles Jefferson espoused which produced this reaction in President Washington and Justice Marshall is the legacy we honor tonight. The Jeffersonian creed included the faith that it is possible to improve the lot of common man through the instrument of political democracy; that the care of human life and happiness is the first and only legitimate object of good government; that responsive government, not stable government, is the first priority and to be responsive means to serve faithfully the majority will; and finally, a pragmatic notion that changing conditions call for new laws and new orders rather than worship of established law and order. This Jeffersonian legacy comes directly from our revolutionary roots and calls us to be faithful to our origin.

The legacy from Jackson may be summed up in a few words: if you want to get your political candidate elected, you had better have an organized party. This was the lesson political events taught Andrew Jackson.

When Jackson was denied the Presidency in the election of 1824, through the operation of cronyism, factionalism and King Caucus; when he saw more and more clearly as he stopped to talk with people on his way home from Washington after the action of Henry Clay swinging the Congressional vote to John Quincy Adams, and then when Adams appointed Clay his Secretary of State; when the general cry of outrage of the people he spoke to reached a great crescendo, Jackson yelled foul and vowed that this would not happen next time because there would be a political party dedicated to winning an election and not allowing Congress to decide. In organizing a political party that would reflect the popular choice for President, that would see to it that voting qualifications and election laws would allow the people to decide who the successful political candidates were to be, Jackson was reflecting and embodying the Jeffersonian idea that there must be a party of the people to counteract the conspiracies of privilege. Because of this, it has been charged that the Jacksonian Democratic party lacked any ideological principles, that the party harbored so many diverse groups and sectional interest that, indeed, the only thing they seemed to agree on was that Democrats must get elected. What is overlooked and ignored in this charge is that it does make a difference which party is successful in an election. The Whig politicians recognized this in Thurlow Weeds' statement in 1839 to the effect that anyone who believes that the Democrats should be

driven from office is a Whig, no matter by which name he has been called or is called. But is it also not true that such sentiment reflects a pragmatic concern in politics and exiles ideology to the cloistered halls of universities and debating clubs? Examine the aims and accomplishments of the Jackson administrations and we see the extent to which election laws were changed to make it possible for the previously disenfranchised voters to participate in elections, the liberalization of bankruptcy laws making it more difficult to persecute the poor for indebtedness, the protection of working men with new factory legislation and the fight against the national bank which, in the hands of financiers, had become an instrument for greater centralization and control of money in the hands of a few.

While the Whigs wooed the "better" part of society—meaning by "better" the rich, the aristocrat, the financier, the manufacturer, the banker, and the land speculator—the Democrats wooed the farmer, the workingman, the clerk, the disenfranchised and the poor. No doubt, to some extent, these were campaign slogans and necessities, but it also indicates the alignments sought by these parties and in the case of the Democratic party, it reflects the Jeffersonian view that in every society, by their very constitution, people are divided into two parties—those who fear and distrust the people and wish to draw all power from them into the hands of the higher classes, and those who identify themselves with the people, have confidence in them, cherish and consider them as the most honest and safe depository of the public interest.

Political partisanship is the legacy of Jefferson and Jackson. From Jefferson and Jackson, we have inherited a distrust of privilege and a reaffirmation of the revolutionary slogans of equality and democratic representation. And let us look at this legacy. Would we not prefer a Wilson to a Harding, a Roosevelt to a Hoover, a Truman to an Eisenhower, a Kennedy to a Nixon, and, yes, even a Johnson to a Nixon? It is over and over again a question of the prosperity of most of the people as against the well-being of the privileged.

The prosperity of a country is not defined by the extent or amount of corporate profit, the number of high-interest mortgages held by lending institutions, the indebtedness of the general public to the banks, nor by the few who have swollen incomes on which no or little income taxes are paid. A country is prosperous when the masses of the people are regularly employed at decent paying jobs, producing goods and services which contribute to a peaceful and easier life. When those who produce live in decent houses at fair rents and prices; when ordinary table fare at home is plentiful and wholesome and not taken from the earth through a process of rape and despoliation; when the oppressed, the aged, the infirm, orphaned and unfortunate are treated fairly, with compassion—not recorded, catalogued, numbered, fed into a computer, photographed, and given identity cards; when equality of quality education is generally available and when the opportunity to make something interesting out of your life through the exercise of your talents is encouraged, then, we may speak of a prosperous United States. This is the legacy of Jefferson and Jackson.

CITIZEN INVOLVEMENT WITH THE BUDGET

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. RANGEL. Mr. Speaker, the Community Council of Greater New York is

an organization dedicated to social service. The council is involved in such activities as consumer protection, family counselling, child care, employment referral, health services, and recreation planning.

A New York Post editorial of March 14 entitled, "Public Eyes" tells of another field that the community council is entering:

PUBLIC EYES

Official Washington is making a good deal lately of the virtues of "grass roots government" but that may be subject to change if it hears often enough from Americans who are tired of being clipped—and even mowed down.

In that connection, the Community Council of Greater New York has formed a special committee to keep track of the Nixon Administration's budgetary proposals and actions on social welfare funding, with a view toward interpreting them carefully and explaining to the public exactly what the extent of the damage is likely to be.

This would be an unusually responsible and helpful enterprise in any year, for which the Council and its president, Mrs. Leonard H. Bernheim, would be entitled to recognition. In this year of ruinous retrenchments by Washington, the new committee qualifies as an essential local resource. It may well be vital for Congress and the public to have continuing, thoroughly reliable analysis of the budget impact, since the Administration obviously plans nothing beyond assurances that urban life was never better.

The co-chairmen of the new committee are Mrs. Elinor Guggenheimer and Rev. M. Moran Watson, both identified with progressive social welfare activities here. Many New Yorkers will look forward to hearing from them and their colleagues.

CONGRESS MUST ASSERT WAR POWERS AUTHORITY

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. CLEVELAND. Mr. Speaker, I have today joined in introducing legislation to assert the constitutional authority of the Congress over military actions of U.S. Armed Forces overseas.

I have done so in the conviction that the active sharing of constitutional authority will strengthen the ability of this Nation to conduct its defense policy on the basis of greater unity between the executive and legislative branches.

For too long, the executive branch has been the locus of power over the conduct of foreign military operations. This has subjected it to the legitimate criticism of those who deplore erosion of congressional responsibility. It has also led to partisan or misinformed congressional criticism, delivered with impunity resulting from the same de facto lack of responsibility in Congress.

I seek to focus accountability on the Congress as well, so that Members will share with the administration the full consequences of action—and inaction—by the Military Establishment of this Nation in response to varying degrees of threat to our security.

Before discussing its provisions, I wish to emphasize at this point that it in no way represents direct or indirect criticism

of the incumbent administration. My steadfast support of President Nixon in his efforts to achieve peace with honor has established my credentials in this respect. Furthermore, the legislation specifically exempts from its application "hostilities in which the Armed Forces of the United States are involved" on its effective date and abrogates no treaty responsibilities.

What it does provide is that, in the absence of a congressional declaration of war or attack on the United States, the President may not commit U.S. forces to actual or potential combat situations except in case of a Presidential declaration of emergency, and then under procedures for congressional oversight.

After making such a finding and committing troops, the President must within 24 hours inform Congress of the full circumstances surrounding his action—or 48 hours if Congress is not in session, in which case he must convene a special session and report within 48 hours.

The Congress must act affirmatively within 90 days to approve and authorize continuation of the action, or disapprove and order termination. No less often than every 6 months thereafter, in case of approval, the President must report to the Congress on the conduct of the hostilities, subject in each case to affirmative approval or disapproval within 30 days. Any failure by the Congress to act during the prescribed periods shall be interpreted as approval of the President's actions.

In the event of disapproval, the President must terminate involvement of our forces "as expeditiously as possible," with due regard for their safety and that of other Americans involved, due notice to allied and other friendly nations, and overall defense of U.S. territory, and possessions.

Mr. Speaker, this is a reasonable balance between the warmaking powers of the Congress and the authority of the President inherent in his role as Commander in Chief of our forces. While we recognize the President's role we must give equal recognition to the enumerated powers of the Congress under article 1, section 8 of the Constitution, which include authority "(t) o make rules for the Government and regulation of the land and naval forces," under which we have legislated in the past. These being in addition to powers to raise armies and declare war.

The effect may be to curb the President in future crises, in some cases, or alternatively to strengthen his hand by formal support of the Congress timely expressed.

I foresee additional benefits. Rather than lead to unwieldy congressional deliberations de novo at the time of crisis, this legislation should foster closer consultation between the administration and the Congress on a continuing basis. Clear vesting of this constitutional prerogative in the Congress in an era of potential brushfire conflicts should assure consultation on the evolving world scene long before the fact of a crisis reaching the point of hostilities.

In such an environment, I have no doubts concerning the capacity of Congress to act expeditiously and responsi-

bly in this role. The result will be a stronger and more unified Nation.

THE INDEPENDENT FOUNDATION

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Ms. ABZUG. Mr. Speaker, at a news conference here in Washington on March 12, Sargent Shriver, first Director of the Peace Corps and former Director of the Office of Economic Opportunity, announced the first stage of a national movement to mobilize the more than 75,000 former Peace Corps and VISTA volunteers for an assault on our Nation's social problems.

The movement will be directed by the Independent Foundation—"IF"—a non-profit organization which will raise funds for and offer technical assistance to the projects of these former volunteers throughout the United States. It will provide a vehicle through which former Peace Corps and VISTA people can effectively use their experience and talents. In addition, it may help take up some of the slack caused by the attempts of the administration to slash Federal funding for social programs.

Six major target cities have been chosen for initial projects in 1973.

Washington, D.C.: Anne Ternes, former Peace Corps volunteer—PCV—in the Dominican Republic, will lead a project of child development.

Los Angeles: Patrick Saccomandi, former PCV in Thailand, will coordinate a program of career education—cultural awareness in junior and senior high schools.

Pittsburgh: Bob Kambic, former PCV in Nepal, will lead projects to create a more livable environment.

Houston: Eric Nelson, former VISTA volunteer, who worked with Chicanos in Houston, will coordinate a consumer education and protection project.

Boston: Steve Cohen, former VISTA volunteer in Buffalo, will coordinate a volunteer technical assistance clearing-house.

Cleveland: Roland Johnson, former PCV in Kenya, will lead in the establishment of a center to assist citizen groups to expand their participation in local government.

The executive director of the Independent Foundation is Grady Poulard, a former Shriver aide at OEO and an alumnus of the national urban fellows program. Mr. Poulard announced at the news conference that the initial funding for this new thrust of the foundation has been provided by the Irwin-Sweeney-Miller Foundation. He also explained that this new movement is not limited to ex-Peace Corps/VISTA volunteers. Its long range goal is to serve as a catalyst for the involvement of a host of people in many cities who are seriously concerned about the direction in which the Nation is heading. It is beginning with these for-

mer volunteers because they have demonstrated their willingness to work toward systemic social change, but it will expand as new funds are received.

Included at this point in the RECORD are several fact sheets on the project and the work of the Independent Foundation:

THE INDEPENDENT FOUNDATION MEMBERSHIP

The Independent Foundation is an organization of former Peace Corps and VISTA Volunteers. The Board of Trustees of the Foundation is composed entirely of former Volunteers. Ex-Volunteers can obtain full membership in the Foundation with a minimum annual contribution of ten dollars (\$10.00). Full membership enables members to be considered for candidacy to the Board of Trustees and also to vote in the Trustee elections. It is not necessary to be an ex-Volunteer to join IF. Anyone can receive the Newsletter who requests it.

Members are asked to stipulate the area in which they are interested in providing voluntary technical assistance. They are also requested to refer IF to other volunteers. IF is interested in groups of former Volunteers that are already operating and in programs that utilize many former Peace Corps or VISTA Volunteers. They are encouraged to let IF know about their activities.

JOBS

The Foundation receives numerous inquiries about jobs from former Volunteers. The few requests for people do not meet the demand for jobs. IF asks that members and friends inform the Foundation of any positions, both voluntary and paid, year-round and summer, that might interest former Volunteers.

ORGANIZING

Members in programs that might need a specific type of expertise may ask the Foundation if another volunteer in their area can supply it. If a member would like to get in touch with other volunteers in their area in order to begin or support a project, ask the Foundation for assistance. Other IF members might live in the area or IF can begin to identify and contact others, introducing them to IF members already in the area.

The Foundation requests that its members and friends refer other former Volunteers. IF is interested in the following information on its members:

- Name, Address, Phone.
- Peace Corps, VISTA or other and year terminated.
- Primary field of expertise, other field of expertise.

Former and current Action staff is also encouraged to participate.

THE INDEPENDENT FOUNDATION

FACT SHEET: 1973 MOBILIZATION

Purpose of press conference—March 12, 1973.

To announce the first stage of a national movement to mobilize the more than 98,000 ex-Peace Corps/VISTA Volunteers for an assault on American social problems.

The Independent Foundation is the only organization which exists for the purpose of tapping the commitment and skills of these ex-Volunteers. It is also unique in that it is not "hung up" by any ideological differences at the national or the grassroots level.

Funding for the initial thrust has been provided by the Irwin-Sweeney-Miller Foundation (\$75,000 in 1973; \$25,000 in 1974).

There are six target cities in 1973. More will be added as the necessary funds are raised.

Target cities have been selected on the basis of the residency of Trustees in those

cities. They are currently serving as field coordinators, without salary.

Boston, Mass.: Volunteer Technical Assistance Clearing House.

Cleveland, Ohio: Study Center for Citizen Participation in Local Government.

Houston, Texas: Consumer Education and Protection.

Los Angeles, California: Volunteers in Public School Programs, emphasis on Career Education.

Pittsburgh, Pennsylvania: Support for Environment: Pittsburgh, an environmental improvement project.

Washington, D.C.: Technical Assistance to Day Care Programs in Anacostia.

Mass meetings are planned for each city by mid-spring.

"IF" seeks to work in cooperation and coalition with other volunteer organizations at both the national and local levels.

With reference to the listing of the Board of Trustees on the inside back cover of the brochure, Sam Carradine, Bob Kambic and Phil Jessup have been recently elected to the Board: Maria Cuadrado, Dave Dawley and William Southworth are no longer members on the Board.

Vernon Alden, President of the Boston Company, is a new Advisory Council member.

Staff of four, at the present time, is supplemented by the voluntary help of former Volunteers.

It is not necessary that one be an ex-Volunteer to join "IF". Other persons who are interested in "IF's" purpose are also welcome.

THE INDEPENDENT FOUNDATION

BACKGROUND

A small group of former Peace Corps and VISTA Volunteers founded the Independent Foundation in December, 1969, seeking to create a vehicle for all former Volunteers to continue and deepen their social commitment. Despite severe funding limitations, IF has managed to attain a credible track record—evidence that, with adequate funding and staff, the Foundation could become a major force for constructive social change in America.

Since inception, the Foundation has: Recruited 700 members who provide voluntary services to community programs.

Provided volunteer and staff services worth more than \$40,000 to 150 community program requests submitted by former Volunteers.

Approved small grants totaling \$50,000 to ten community programs.

Assisted six community programs in developing access to major sources of funding resulting in grants and commitments of more than \$600,000, and

Performed referral, evaluative and administrative services contracts to various foundations and government agencies totaling more than \$64,000.

PURPOSE

The Independent Foundation (IF) is a national, tax-exempt, charitable organization seeking to assist more than 65,000 former Peace Corps and VISTA Volunteers to continue their involvement in the process of domestic social change. Former Volunteers represent over 100,000 man/years of specialized technical expertise—since their inception, the federal government has invested over one billion dollars in the Peace Corps and VISTA programs.

This investment, to a great extent, is being underutilized. Neither the public nor the private sector has seriously attempted to reap the dividend of the resettled Volunteer. In an era of ever-increasing domestic crises—of personal identities, of ethnic polarity, new awarenesses and old fears—The Independent Foundation represents a multi-ethnic co-

hesive force, a potential source for a constructive movement in America, by providing alternatives to "business as usual" or "dropping out and turning off".

The skills, sensitivity, and commitment of former Volunteers are ready to be put to work solving those problems which have been inadequately faced or overlooked in our own country—particularly the problems of the poor and oppressed. The Independent Foundation is presently the only existing vehicle for drawing together the skills and expertise of former Volunteers, for constructive social change in the domestic sphere.

GOALS

Organizing and assisting former Volunteers for local involvement with grassroots community projects is the overall goal of the Independent Foundation. Particular emphasis is placed on projects which have high merit, but low-visibility. By stimulating and coordinating the activities of former Volunteers, the Independent Foundation assists:

Former volunteers—by informing them of the manpower and funding needs of local community programs in which other Volunteers are involved, and by recruiting their services for these programs.

Community groups—by providing voluntary and permanent local staff services for developing program, writing proposals, identifying potential sources of funding, securing funds and managing programs.

Funding sources—by providing manpower to identify community projects worthy of support, evaluating existing or proposed programs and by administering select programs in which the unique experience of Volunteers can play a vital role.

TO FORMER VOLUNTEERS

Renew your commitment to constructive social change—through IF become and remain involved. Members volunteering a few hours a month have become involved by:

Organizing Former Volunteers—Anson Chong, RPCV—Nigeria, has organized HIVA (Hawaiian International Volunteer Association) an organization of 220 former Volunteers that support a variety of grassroots community action programs throughout Hawaii.

Developing Programs/Raising Funds Writing Proposals—Dave Dawley, RPCV—Honduras and IF Trustee has worked closely with inmate councils in Massachusetts' prisons to develop the Inmate Education Fund. His proposal writing and fund raising efforts have generated initial funding for the program.

Providing Management/Legal Support—A management consultant and former Peace Corps staff member, David Lynch has assisted an urban group with its bookkeeping and accounting system. Steve Lieberman, a lawyer and former Volunteer helped a rural community organization by providing legal assistance in the development of its program.

Developing Programs/Raising Funds Organizing—Marcla Lang, RPCV—Brazil, helped to establish the Prince George's Free Clinic. The clinic has been open since December 1970 serving the young in Prince George's County, Maryland. Her fundraising efforts were essential for the institution of this clinic.

If you would like to get involved in a similar capacity in community programs in your locale, contact us and let us know what skills you can offer. If you can afford a small contribution (\$10 or more annually), please enclose it and you will become a member of IF. If you can't afford the contribution, we still want your response—your commitment for involvement. Community programs need your skills and we will make certain you are properly linked and matched to the needs of local projects.

MEMBERSHIP

As a member you will be kept abreast of Foundation activities. You will be eligible to vote for the Board of Trustees, or to be elected a Trustee yourself. Trustees serve three year terms, rotating one-third of the Board at annual elections. In addition to being policy-makers, Trustees appoint the Advisory Council and the Executive Director.

The Independent Foundation can become your organization—giving focus and impact to your continuing efforts to improve the quality of American community life. If you desire to renew your involvement, as a member or by offering your skills, please return the enclosed post card.

TO COMMUNITY GROUPS

Former Volunteers involved in community projects are invited to use our staff and national network of Volunteers to provide manpower and funding assistance to local programs. The Foundation is endeavoring to expand its funding, staff and local organizational base so that it can respond more rapidly to the increasing number of requests. Given its current financial and manpower limits, the small Foundation staff responds to all requests and provides whatever assistance it has available. In addition to assisting individual community programs, the Independent Foundation is seeking funding for functional group programs through "community support systems". These support systems permit the Foundation to allocate Volunteers and funds to projects in a given technical area from a single fund, thus greatly increasing management efficiency and flexibility.

The Foundation's pilot project, Community Arts Support System, received funding from the National Endowment for the Arts and the Donner and Strong Foundations. Through this program, IF provides local Volunteers and seed grants to support community arts programs in various locations throughout the U.S. The Foundation is considering the development of support systems in a number of fields.

If you are involved with a program seeking voluntary assistance, bring your program's needs to the attention of the Independent Foundation for evaluation and response by returning the enclosed post card.

TO POTENTIAL SOURCES OF FUNDING

We invite you to review our capacity to use former Peace Corps and VISTA Volunteers to assist you in identifying, evaluating and administering community projects in which you or your organization may have specific programmatic interest. Currently, we provide other foundations, corporations, religious organizations, governmental agencies and individuals our evaluation of suggested programs within their target areas.

Direct assistance to funding sources for evaluation of previous or proposed program areas is also provided. For example, a former Volunteer recently completed a 181 page document for the Donner Foundation which thoroughly explored the possibility of private philanthropy in a new area being considered by some of that Foundation's Trustees.

The Independent Foundation has also successfully completed a series of nine contracts with the Office of H.E.W. Through these contracts, employing a number of former Volunteers and Peace Corps staff, the Foundation designed and administered a system for evaluating all funding request proposals submitted to the Environmental Education Division of the U.S. Office of Education.

Human resources and expertise are the primary assets of IF—it has no endowment funds for operations or grants. Therefore, it seeks from larger foundations, corporations, government agencies, religious organizations and private donors the financial resources necessary for harnessing its vast service potential for bringing about positive domestic social change.

Donors' contributions could be multiplied many times over, considering the more than 65,000 former Volunteers whose skills, energy and commitments are waiting to be channeled into constructive community action. The most immediate need is for funds to get beyond the initial task of organizing former Volunteers at the local level.

The Foundation staff stands ready to prepare and submit proposals for general organizing purposes, as well as brokerage proposals or "community support systems" which could deliver seed grants and technical assistance to over 150 worthy, low-visibility community projects in which former Volunteers throughout the country are involved.

The Independent Foundation has been chartered under District of Columbia law as a nonprofit corporation. Because the Foundation has received a tax-exempt ruling under section 501(C)(3) of the Internal Revenue Code, contributions to it are tax deductible. Additionally, IF has applied to IRS for "public" foundation status. A final ruling has not yet been made, but in the meantime under IRS regulations all contributions received are considered "public" foundation contributions.

If you are interested in providing assistance, or if you would like more information, please contact the Executive Director, Grady Poulard, at:

The Independent Foundation,
1028 Connecticut Avenue, N.W. Suite 509,
Washington, D.C. 20036 (202) 785-1730.

DONORS

Support for IF has come from more than 700 former Volunteer members, as well as individual contributors and foundations, corporations, religious organizations and government agencies.

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MAN'S INHUMANITY TO MAN— HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. SCHERLE. Mr. Speaker, for more than 3 years, I have reminded my colleagues daily of the plight of our prisoners of war. Now, for most of us, the war is over. Yet despite the cease-fire agreement's provisions for the release of all prisoners, fewer than 600 of the more

than 1,900 men who were lost while on active duty in Southeast Asia have been identified by the enemy as alive and captive. The remaining 1,220 men are still missing in action.

A child asks: "Where is Daddy?" A mother asks: "How is my son?" A wife wonders: "Is my husband alive or dead?" How long?

Until those men are accounted for, their families will continue to undergo the special suffering reserved for the relatives of those who simply disappear without a trace, the living lost, the dead with graves unmarked. For their families, peace brings no respite from frustration, anxiety, and uncertainty. Some can look forward to a whole lifetime shadowed by grief.

We must make every effort to alleviate their anguish by redoubling our search for the missing servicemen. Of the incalculable debt owed to them and their families, we can at least pay that minimum. Until I am satisfied, therefore, that we are meeting our obligation, I will continue to ask, "How long?"

THE AMERICAN LEGION'S COMMUNITY ROLE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. DERWINSKI. Mr. Speaker, I was especially pleased when an outstanding publication serving communities in my district, the Press Publications, serving west Cook County, Ill., saw fit to editorialize on the years of effective service that have been rendered by the American Legion.

The editorial very properly emphasizes the contribution of the Legion far beyond the service it renders to veterans. I believe it is a testimonial to a very effective, positive, respected organization.

The editorial follows:

OUR OBLIGATION

When the American Legion was founded in Paris 54 years ago the objective was not "peace in our time" as Chamberlain years later hopefully sought but "peace for all time."

Peace was a dream, a shattered dream but nevertheless a worthy objective for all men. Today The American Legion members still hope for peace, perhaps even more so than those who have never known warfare.

The shortcomings of mankind are never more evident than in the failure of human beings to get along with their neighbors.

Far too many persons today have to ask, "Who is my neighbor?" Those who think of American Legion members as "war veterans" tend to forget or never see the great amount of work the organization does in the community.

When the American Legion was founded the organization was dedicated not only to mutual helpfulness but also "to inculcate a sense of individual obligation to community, state, and nation."

The greatest chapter of the story of The American Legion is not in the military service of its members. As civilians they perpetuate the ideals of Democracy for which they served in uniform.

Through its many and varied contributions and services performed for the betterment of its respective communities, The American Legion has become identified as an organization good for any home town and for the nation.

During its 54th anniversary observance, The American Legion is emphasizing its theme for the year, "Reach Out-In Service For America."

There will never be a better world of tomorrow unless we all start with a sense of individual obligation to community, state, and nation.

INTERDEPENDENCE OF LIFE, LAND, AND WATER

HON. ORVAL HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. HANSEN of Idaho. Mr. Speaker, one of the most rewarding experiences of my service in Congress was my close association with former Senator Len B. Jordan, who retired from Congress last year after a quarter century of public service including 10 years as a U.S. Senator from Idaho.

One of our Nation's leading water authorities, Senator Jordan was responsible for numerous pieces of important legislation dealing with water resources. In a recent address before the Snake River regional studies program in Caldwell, Idaho, last month, he demonstrated his continuing concern and clear understanding of this priceless resource. As a part of my remarks I would like to include the text of the Senator's important remarks and commend his address to the attention of my colleagues in the House:

LEN B. JORDAN—TEXT OF REMARKS, COLLEGE OF IDAHO SNAKE RIVER REGIONAL STUDIES, CALDWELL, IDAHO, FEBRUARY 6, 1973

Except for the air we breathe, water is the most essential element in our lives. Most of us take water for granted, but long before life existed on this earth, God had to first provide a master plumbing system. In Ecclesiastes we read about the plan:

"All of the rivers run into the sea, yet the sea is not full. Unto the place from whence the rivers come, Thither they return again."

Here in a few words of simple, flowing rhetoric is described the complete hydrologic cycle which makes possible the existence of life on this planet. No one to this day can improve on that language.

From some vantage point in outermost space one might discern that the earth's water supply is fixed in amount, that it is indestructible and that it is constantly circulating and in the process it purifies itself. Each year about 80,000 cubic miles of moisture are evaporated by the sun upward into the atmosphere to return to earth again as rain, snow or dew. This drawing up and dropping down process is repeated in an unending hydrologic cycle. Differences in temperature, topography and winds influence the distribution of moisture laden air, causing precipitation on the earth to vary from one to more than one hundred inches per year. The result is that only a small percentage of the earth's surface receives enough rainfall to sustain human life. Throughout the ages the great civilizations have developed where the water is. One cannot fail to be remained over and over again of an

ageless verity—that is the interdependence of life, land, and water.

From this general proposition let us turn to the more specific example of the interrelationship and interdependence of life, land and water in our own modern day world. If I may be pardoned the personal approach, I think I can best describe and assess the importance of water resources by taking you back through the fifty years of my own involvement in water economics.

In 1923 I graduated from the University of Oregon. Dr. James Gilbert was then Dean of the School of Economics and after many consultations with him I decided to work toward a masters degree by exploring the feasibility of barge transportation on the Columbia and Snake rivers. At that time there was not a single dam on either of these rivers. I found that not many people were receptive to my plan. When I sought a loan to further my studies I was challenged on the impracticality of my proposal. Did I not know that navigation alone could not bear the cost of a series of navigation dams and locks that would be required to provide slack water navigation from the ocean to the Inland Empire? When I suggested that hydroelectric power might be the paying partner for navigation in such a venture, the question was then asked—"But who will buy all of that power?" So I gave up and abandoned the project but the idea still persisted.

In 1928 the Corps of Engineers was directed by the Congress to make detailed studies of the Columbia and its tributaries and report on the navigation, power, reclamation and the fish and wildlife potential of the entire river system. That report, published in 1932, was known as the 308 report. It provided the data for the first Columbia River dam at the Bonneville site, which was completed in 1938 and also for the construction of the great Grand Coulee project by the Bureau of Reclamation. Bonneville Power Administration was set up as the sole marketing agency to dispose of all power from federal projects. The power found a ready market with preference going to public entities for distribution.

In the early 1940's Congress instructed the Corps of Engineers to review the 308 Report with particular emphasis on a comprehensive plan of interrelated projects to provide the multipurpose benefits for the basin States. This review report was completed in 1948 which happened to be a year of devastating flood on the Columbia with a great loss of property and some lives in the Portland-Vancouver area. A flood of even greater dimension had occurred in 1894 when the flood flows reached a magnitude of more than one and a quarter million cubic feet per second at The Dalles. The report was indeed timely. It recommended a main control plan with enough headwater storage (including Libby dam) to reduce the 1894 flood flow to a tolerable limit of 800,000 cubic feet per second.

During World War II the Canadians had an acute manpower shortage and were unable to suppress many of their forest fires. The watershed of the Kootenai river in Canada burned out of control until snow put the fires out. Much of the watershed was destroyed. Floods came. In 1948, Kootenai Valley in Idaho was flooded. Water was door-knob high on the first floor of the Boundary County Courthouse at Bonners Ferry. In the early 1950's when I was Governor I called out the National Guard two different years for flood duty on the Kootenai. Regular army troops were assigned to flood duty also.

Heroic efforts by local residents, the army and the Idaho National Guard working round the clock saved Bonners Ferry, but thousands of acres of farmland were flooded when the ditches were breached. Libby dam will remove that flood hazard for Northern Idaho and assist in the main control plan downstream. But I am getting ahead of my story.

Based on data provided by this and earlier reports several multi-purpose projects were built in fairly even succession. Certain benefits such as navigation, flood control, fish and wildlife enhancement were classed as non-reimbursable because they filled an over all public need. Other identifiable benefits such as water for industrial, municipal or reclamation uses were classed as reimbursable, with the beneficiary paying a proper share of the costs with interest—except that reclamation paid no interest, only principal. In the event reclamation costs exceeded the ability of the water users to pay, sufficient power revenues were diverted to assist the payout. Thus was developed the basin account concept without which much of the land in the vast Columbia basin project could not have been developed.

In 1950 I was elected Governor of Idaho and in furtherance of my long time interest in water and land resources it seemed appropriate to suggest formation of a Columbia River Compact among the several States of the basin—this in lieu of a Columbia Valley Authority which had some dedicated sponsors and many detractors. The Compact idea, patterned after the Colorado River Compact (and others), seemed a better plan for the Northwest States and I thought everyone would agree. How wrong I was.

Now, 22 years later, we still have no Columbia River Compact, although on several occasions we came very close. I shall not go into detail here on the various issues that surfaced. To name a few: (1) public vs. private power, with the jealously guarded preference to public bodies that evolved from public development. (2) upstream vs. downstream claims regarding the proper allocation of power and water—principally water, insofar as Idaho is concerned.

Idaho, an upstream state with a vast acreage of potentially irrigable land, was determined to protect not only present consumptive use for irrigation but future consumptive use for new land yet to be developed. Montana, also an upstream state, has few irrigable acres but substantial headwater storage potential in Hungry Horse and Libby sites. Montana insisted on an allocation of power not only for power produced at Montana sites but for a share of power produced downstream by reason of storage projects in Montana. Wyoming, with a much smaller stake and already in compact with Idaho generally went along with Montana and Idaho in espousing what developed into the basin of origin concept—which stated simply, was a fair share in the allocation of water and power to upstream states whose watersheds provided most of the water.

As we shall see later the issues that resulted in a deadlocked compact were dealt with effectively in the Columbia Treaty. A climate of compromise on the international level seemed more conducive to success. The one point of solid agreement that did emerge from the Compact debates, however, was that there would be no diversion of water out of the Columbia basin. Unanimity on this issue was timely because it was to be fully tested in the years ahead.

After my term as Governor, I accepted a Presidential appointment as Chairman of the United States Section of the International Joint Commission. I reported for duty in January 1955. The IJC was established by treaty with Canada in 1908 as an international commission for arbitrating some international problems and, by reference from the two governments, making investigations of prospective development of international waters that either formed the boundary or crossed the boundary between the U.S. and Canada. Of special concern at that time were negotiations on the St. Lawrence Seaway and Power Project and on the Columbia Treaty.

In addition to my IJC duties I was summoned to the White House as advisor to a special cabinet level group charged with the

responsibility of developing a water resource policy for the Eisenhower administration. As finally approved, that policy embraced certain fundamentals, e.g.—“the primary responsibility for supplying the power needs of an area should rest with the people locally and not with the Federal government” and—“that all interests participate in the cost of projects in accordance with the measure of their benefits and that the federal government assume the cost of that part of projects where the benefits are widely dispersed and represent substantial contributions to the general economic growth of the country or region or to the national defense.”

That was a good water resource policy then and it is a good water resource policy now. One immediate effect it had then was to open the way for international cooperation, notably with Canada in joint venture development of international river resources.

The St. Lawrence Seaway and Power Project became a reality. This project had a two fold objective: a 27-foot navigation channel from the Atlantic ocean to the Great Lakes and the Barnhardt Island power project which is comparable to Grand Coulee in power output. This joint venture was built by two entities—Ontario Hydro for Canada and the Power Authority for the State of New York for the U.S. Power costs and benefits are shared equally. Navigation costs are borne by the country making the improvement.

In order to improve navigation and flood control the range of stage of the levels of Lake Ontario was compressed through regulated flows at Iroquois dam to 244 to 248 feet above mean sea level. In a state of nature the fluctuation had been between 242 and 250 feet. We conducted hearings on both sides of the boundary and I was surprised to hear the skepticism of people in both countries. They wanted assurance that legal redress was available to them in case of flood damage even though they might have built in the flood plain. We were able to give that assurance to Americans—that they could present a claim for alleged damage in any U.S. Federal Court of jurisdiction. The Canadian situation was different. I recall with some surprise that the very distinguished and dignified Counsel for Canada invoked the Doctrine of Sovereign Immunity. Said he, “The Queen does not wish to be sued.” So I learned about sovereign immunity then and there. In Canada that ended the argument.

About that time, at a White House conference, President Eisenhower turned to me and asked, “Governor, how are you getting along with the Canadians?” “Well, Mr. President,” I said, “sometimes I wonder. They are very tough bargainers. I wish you would instruct me—how far do you want me to go?” Ike smiled. “Go about 51% of the way—but remember you don't have to sell your own country down the river.”

The Columbia Treaty presented some thorny problems. By asserting their right to divert 15 million acre feet of Columbia River water annually through the mountains by tunnel near Revelstoke and into the Frazier River drainage, the Canadians held a very potent bargaining advantage because such a diversion would have caused substantial power loss to the United States at all plants downstream from the point of diversion. Fortunately we were able to discourage this diversion but no doubt the threat got a better deal for Canada.

Finally a Columbia Treaty was consummated. It provided that the United States pay Canada immediately about \$256 million dollars in cash. Canada agreed to provide about ten and one half million acre feet of storage for flood control and power. Canada would retain all at site power produced and would receive one half of additional power developed at U.S. plants downstream made possible by releases from Canadian storage.

The U.S. was granted permission to build Libby dam with some 42 miles of the reservoir extending into Canada. The Treaty was subject to revision and renewal at the end of thirty years.

I mention the Canadian Treaty negotiations in some detail because the same issues were involved there as have plagued us in our efforts to achieve a Columbia River compact between the several states of the basin. It is interesting to note that the U.S. settled with Canada, the upstream country, on very generous terms—much more generous than the downstream states of the Columbia Basin were willing to concede to the upstream states of Idaho and Montana. The basin of origin concept was fully recognized in the Columbia Treaty.

Perhaps a revival of effort to achieve a Columbia Basin Compact would be in order now that the principles relating to river basin equities has been so painstakingly set forth in the Treaty.

I spent most of the summer of 1956 in Afghanistan on leave from my duties at IJC. I was leader of a survey team of engineers and economists charged with the task of evaluating the Helmand River Reclamation project consisting of two large storage reservoirs and a delivery system for irrigating several hundred thousand acres of land. The project was then under construction by Morrison-Knudsen Co. of Boise. As always, MK was doing a good job but the hundreds of years of abuse of the watershed made reclamation very difficult.

The once timbered foothills of the Hindu-Kush Mountains had long ago been denuded of trees followed by many years of overgrazing. The result was that the steep slopes of the watershed had been eroded to bedrock resulting in flash floods with each storm. There I saw masonry bridges standing stark and alone on the desert—sometimes miles away from the present river channel which changed courses across the flood plain with each devastating flood. Those bridges still haunt me as ghostly monuments to man's abuse of nature and the destruction of his environment.

The year 1956 also marked a bold attempt by a consortium of Southwest Governors, Governor-elect McNichols of Colorado, Governor Simms of New Mexico, and Governor McFarland of Arizona—backed by the Colorado State Chamber of Commerce—to arouse interest in a proposal to divert 1.5 million acre feet of water from the Upper Snake River into the Colorado River basin via Green River. Their effort failed, but it did serve notice of the continuing interest in such diversion if and when the political climate might be favorable.

Because the threat cannot be brushed aside perhaps we should examine briefly the water situation in the Colorado Basin. Prior to 1928 the historic flows of the Colorado river had averaged between 17 and 18 million acre feet annually. A treaty with Mexico called for the delivery of 1.5 million acre feet annually at the Mexican border. Based on record flows, water supply seemed adequate to provide a Compact for the division of water as follows: 7.5 million acre feet annually to the upper basin states and a like amount to the lower basin states as recorded by a gauge at Lees Ferry which was accepted as the midpoint between the upper and lower basins.

The upper basin states thought they were taking care of their own situation by insisting that obligation to the lower basin be met by delivery of 7.5 million acre feet in the latest ten year period in order to average the flow between years of drought and years of abundance. This seemed like a safe precaution and would have been except that annual flows in the Colorado basin fell to an average of about 14 million acre feet which, of course, presented the acute problem of over commitment of the river's flow.

Water planners in the Southwest were certain that imports to the Colorado from other river basins was the best solution. Hence their interest in the Snake and in the Columbia—but less so in the latter because the economics of interbasin transfer are much less favorable from that source.

This was the water climate in 1968 when the Central Arizona Project Act was passed in the Senate and in quite a different version passed the House also. The House passed bill was especially tough. It provided, among other things, that the Colorado River be relieved of the burden of supplying the Mexican Treaty water by making it a national obligation and furthermore that studies be started forthwith to find supplemental water to bring Colorado basin supplies up to Compact requirements.

The conference between the Senate and House was deadlocked for about 10 days. Except for the diversion language there was much in the bill that had merit. All of the conferees except one was a Westerner and we knew—deep down in our hearts—if we could not resolve our differences and go back to our respective bodies with an acceptable conference report the whole reclamation program would be in jeopardy. A stalled conference might signal the end of federal participation in resource development in the West.

As one of the conferees I felt that the deadlock must be broken. Accordingly, on the 10th day I suggested a compromise that would get the heat off the Northwest for a time at least—that a ten year moratorium on diversion studies to transfer water from the Northwest to the Southwest be written into law as a part of the agreed legislation. I bolstered my argument with data showing the Columbia basin states were busily engaged in conducting a thorough inventory of our own water needs—further that the Northwest was at least a generation behind the Southwest in such resource evaluation—that we would try to compress our work to a ten year period but that we insisted those ten years be free from harassment from the Southwest water planners.

The Jordan Compromise with the 10 year moratorium was adopted, the legislation became law. Time passes. It is hard to realize that by August of this year one half of our time will have expired.

Emerging from the battle of the Central Arizona Act in 1968 with ten years in which to get our own Northwest water affairs in order it seemed appropriate to provide the same period of time to inventory our Idaho water supplies and water needs for all purposes before making further permanent commitments in the Middle Snake.

Accordingly, I introduced with Senator Church as co-sponsor, a bill providing a ten year moratorium on dam construction in the Middle Snake. This bill passed the Senate unanimously only to die in the House. When the next congress convened we passed the moratorium bill again in the Senate—this time for 8 years—only to have the frustration of no action in the House.

The failure to enact a moratorium bill for the Middle Snake set the climate for what I regard as the greatest threat to Idaho's water in my many years of experience. This time the threat came from downstream. This was a proposal by Senator Packwood of Oregon to make the Middle Snake a National River. Information is rather sketchy on the definition of a National River, but we soon detected the inherent mischief in the proposal. At first glance, this bill seemed consonant with the great wave of environmental projects that filled the calendars of various committees of proper jurisdiction. However, when the hearings were held before the Senate Interior Committee it became apparent that the bill as written was totally unacceptable. Senator Packwood testified that

existing water rights would probably not be affected, but future upstream consumptive use would be curtailed. With the aid of testimony from several excellent witnesses from Idaho including Harold Nelson, Dr. Robert Lee, Vernon Ravenscroft and Keith Higginson we were able to stop the Packwood bill in committee. Thus Idaho was spared the disastrous effects of what I call the Idaho Water Export Act of 1971.

How long these upstream and downstream harassments will lie dormant is hard to conjecture. We must be eternally vigilant.

I come now to Idaho's stake in water resource development and I am willing to admit that I have been a long time getting here. But there is purpose to my apparent circumlocution. The fact is that no river or segment of river can be properly evaluated in isolation from the river system of which it is a part.

The first point I wish to emphasize is that more than any other tributary of the mighty Columbia river system the Snake is a working river. Its waters are the life blood of Southern and Eastern Idaho. The 3.5 million acres presently irrigated represent only about half of Idaho's irrigation potential. Back through the years leaders of both political parties have stood shoulder to shoulder to insure that this most precious water resource and the land of high potential for reclamation should never be alienated. So far this bipartisan effort has paid off, but we must be ever vigilant so that future generations will bless us for the prudence and foresight of our stewardship.

It is no coincidence that here in Idaho we speak proudly of the Treasure Valley and the Magic Valley. These valleys became treasures through the magic of applying life giving water to arid lands. To illustrate the importance of water to Idaho's economy I have frequently used this illustration. Suppose a major disaster such as a massive tornado or an earthquake reduced every home, every business building, every school, every hospital and church to a mass of rubble and ashes. As long as the Snake River continued to flow the towns and the cities would be rebuilt and revitalized. Like the Phoenix of ancient mythology new structures would rise from the ashes to house a new and thriving economy. But let some major disaster diminish or divert the flow of our Snake River and the towns and cities of the Snake River Valley would wither and die.

The earliest emigrants paid Idaho as little attention as possible. Billowing clouds of sage-scented dust marked the Oregon trail as the covered wagons toiled slowly and laboriously across the rutted plains of the Snake River Valley on their way to the lush meadows and tree clad hills of the Willamette Valley.

Most people do not realize that irrigation has flood control benefits too and they are substantial. This is how it comes about. The Snake River at Weiser contributes about 10% of the normal flow of the Columbia River at The Dalles but, due to the flood retarding effect of reclamation facilities upstream at high flood stage the Snake at Weiser contributes only 5% to the flood flows. Reclamation has tamed the floods by stabilizing the flow of the river. On the other hand the Clearwater and the Salmon and the Imnaha and the Grand Ronde which join the Snake below Weiser contribute about 14% of the normal flow of the Columbia at The Dalles but their contribution increases to nearly 30% of the flood flows.—These percentages are calculated prior to Libby and Canadian Storage which will reduce flood flows at The Dalles to a tolerable level but will have no effect whatever on flood flows in the Lewiston-Clarkston area.

I would point out to those in that area who want all dams below and no dams above that they are courting disaster. The hydrologic potential for a major flood disaster is en-

hanced by present development of 8 dams downstream which retard the outflow. Their value for power and navigation is unquestioned. In every study made by the Corps of Engineers and other Federal agencies these dams were intended to be operated with adequate upstream storage to retard the runoff for flood protection at the confluence of all these tributaries at Lewiston. When the Lower Granite dam is completed, downtown Lewiston will be protected by dikes.

The question is, will the dikes be adequate? I don't think they will. Modern technology enables us to calculate with great accuracy the amount of the runoff from any watershed. No one has yet devised a way to predict the vagaries of the weather which will determine when or how fast the runoff comes. From a flood control standpoint the eight power and navigation dams are on the wrong end of the river system. When the floods do come and downtown Lewiston is under water, the origin of those flood flows will be the watersheds of the wild and the untamed rivers upstream rather than from the comparatively docile Snake.

It is unfortunate that flood control facilities cannot be operated from the vantage point that hindsight would provide. Instead, they must be operated on a forecast basis. Who among us has the wisdom of a Solomon to decree, in a time of energy crisis, that certain generators must be idled in order to accommodate flood flows which may not come at all this year as nature cooperates and provides another season of orderly runoff.

Idaho has about 2.5 million acres of wilderness and primitive areas, most of it on the headwaters of our wild or our untamed rivers. Another 1.0 million acres of roadless areas are being studied for inclusion in the Wilderness System. Most of these additional areas are also on the headwaters of the same wild or untamed streams. These rivers all converge in the Lewiston-Clarkston area. Are we unwittingly setting the stage for a potential flood comparable to the Kootenai disasters of 1948 and 1954?

Some attention should be given in our College and University research programs to a study of the sequential relationship between wilderness, fires, wild rivers and floods. Here is a sequence that bears looking into if for no other reason than to allay the apprehensions of some of us who spend a lifetime trying to improve our stewardship of our land and water resources.

Turning now to another matter, I am more than a little concerned that those who propose legislation to determine a permanent classification of the Middle Snake area know so little about this great resource. The clamor for a National River may be temporarily stilled but what to do with the Middle Snake is still a lively issue. I am in total disagreement with those who would exercise the power of eminent domain to compel existing ranches to liquidate and allow those private lands to revert to wilderness. In the first place this procedure sets a very dangerous precedent. Secondly, livestock ranches, operating in full compliance with sound conservation practices, are wholly compatible with the Recreation Area concept. This is the policy we followed in setting up the Sawtooth National Recreation Area. We decided that operating ranches there enhanced the recreation potential of the area rather than to detract from it. The same is true of the Middle Snake.

If the ranches must go and those beautiful hayfields return to wilderness then we should go all the way and deny the use of power boats on the river as we do in a true wilderness where all of us are on equal terms. If the ranchers are forced out and the power boats remain, then the Middle Snake will become a rich man's recreation preserve with special privilege to those who can afford the deluxe jet boat service out of Lewiston

in conjunction with special use permits for upstream accommodations on public lands. I don't think that America can afford to dedicate a resource so precious to the use of so few.

And finally I am apprehensive about the effectiveness of "protective language." Sponsors of Recreation Area legislation now being prepared for the Middle Snake claim that language will be written into the bill which guarantees rights for future upstream consumptive use when more new lands are reclaimed for irrigation. Before officials of Idaho and Oregon cooperate in moves to give the Middle Snake a federal label whether it be for a National River, a Wild or Scenic River, or even a National Recreation Area in the belief that protective language asserting the supremacy of State water law, I think they should consider what has happened to such protective language on other rivers in other Western states. I shall not give details here but the record is available for examination.

In short, the record shows that no protective language, however specific it may be, has ever survived the challenge in later years by those who sought to disregard it. That is why I have grave concern about the ultimate effectiveness of any attempt to incorporate protective language for future upstream consumptive use under state law in any proposal that bears a national label and/or is set aside for a designated national purpose.

To those who are not familiar with the area, the name "Hells Canyon" is a vague but exciting place. Many people confuse the ranching area along the navigable portion of the Middle Snake as Hells Canyon. Having spent twelve years living in this area we speak with some degree of accuracy. In her book "Home Below Hell's Canyon" Grace Jordan took care to emphasize that the ranching area where we lived was many miles below the true Hell's Canyon, described as the deepest canyon in North America. That area lies roughly between the end of navigation upstream from Lewiston and the end of navigation downstream from Weiser. This distance of roughly twenty five river miles is indeed spectacular. No trails, no habitation, walls rising abruptly from the river to the Seven Devils on the Idaho side to the Wallowa Mountains on the Oregon side. That is Hells Canyon, impenetrable except by downstream floating—remote, inaccessible. No matter how you label it the gorge of the Hells Canyon proper is destined to remain unchanged unless it becomes the backwater of a high dam downstream on the Middle Snake.

The ranching area where present interest is focused is not much different than any number of western ranch areas. It is very similar to the Riggs, Whitebird area of the Salmon River. It is accessible by roads, by power boats and by many trails. Moreover it provides a continuing economic contribution to a region where most of the area is already publicly owned. I repeat the suggestion I mentioned earlier. Those who would change the regimen of a productive ranch country for all time should fortify their judgment by spending a week or two in the area at various seasons of the year. I offer my services as a tour guide for such a trip.

A distinguished Supreme Court Justice has declared that a river is more than an amenity—it is a treasure. The Middle Snake is truly Idaho's treasure. In volume alone it is greater than the Colorado River. In multipurpose potential it is unexcelled by any river in America. Some of its tributaries are already included in the National Wild Rivers System: The Lochsa, Selway, Middle Fork of the Clearwater and the Middle Fork of the Salmon contribute about half the mileage of the entire system. The Imnaha

and the Grand Ronde are natural wild rivers. But the main stem of the Snake from Wyoming to Weiser is very different.

I wish to re-emphasize the fact that the Snake is a working river—one of the most heavily used rivers in the country. Idaho's major industries—agriculture and food processing are directly dependent upon water from the Snake.

In spite of wishful thinking on the part of many of us, that Idaho should remain unchanged and unspoiled, our state is destined to increase in population. We had better prepare ourselves to manage the inevitable growth so as to retain the best of what we have and to accommodate growth and expansion of the right kind.

Along with our water resources planning we need a comprehensive statewide land use plan that is compatible with our long term objectives. As I said at the beginning of my remarks land and water and life are interdependent.

The best way that we in Idaho can improve the quality of life is to dedicate ourselves to improving the quality of our stewardship over the land and the water resources which are our heritage. Some people equate non-use with conservation—or conversely, use with exploitation. Neither is true. Wise and responsible use is the essence of true conservation. By using these resources wisely and well, we not only improve the quality of our own lives but we may take pride in passing our heritage on to future generations as good or better than it came to us.

WELFARE SCANDAL

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. THOMSON of Wisconsin. Mr. Speaker, the mounting list of abuses of our Nation's welfare system demands urgent congressional attention. I am certain that the scandals uncovered by reporters of the Milwaukee Sentinel in the Milwaukee County Welfare Department can be found elsewhere in the country. Today I am inserting into the RECORD the fifth installment of the series by Miss Gene Cunningham and Stuart Wilk.

Opponents of the present slipshod welfare system have charged, often without proof, that much of the cash money allotted to meet food and shelter needs of welfare families is, instead, diverted to pay for unneeded consumer goods or for visits to neighborhood taverns. In this installment, the reporters document several such cases of welfare checks being mailed directly to taverns to pay bar bills for recipients. Certainly such abuses stretch common humanitarianism beyond legitimate bounds.

If the \$28 million allegedly wasted in Milwaukee County for welfare last year is even a roughly accurate figure for other jurisdictions, it means that we waste more money each year on welfare than we are spending to clean up our environment. If we truly want to reorder our priorities and control government spending, a top priority should be a top-to-bottom review and reform of our failing welfare system.

The article follows:

AID CHECKS GO DIRECT TO TAVERNS (By Gene Cunningham and Stuart Wilk)

Some welfare recipients never see their welfare checks. Local taverns do.

In some cases, the checks are mailed to the taverns by the Milwaukee County Welfare Department, instead of to the recipients' homes, according to the tavern owners.

Some welfare checks—whether mailed to the taverns or not—are used to pay off the recipients' bar bills. The bulk of their checks goes to the taverns immediately after the recipients endorse them.

Sometimes they drink away their checks and "by the end of the month, they're living on apples," said Neal Burliant, owner of the Sixteen Hundred Bar, 1600 W. State St.

Burliant told reporters that as many as eight welfare checks had been sent in the past to his tavern each month. Until recently, he said, three recipients had their checks mailed there.

Checks are now being mailed to Curley's Tap, 1744 N. 3rd St., and Curley's West (formerly Hooligan's West), 2713 W. Fond du Lac Ave., according to Harvey Rotter, owner of both taverns.

Rotter said that four checks are sent each month to Curley's and "about a half dozen" to Curley's West.

The director of the welfare department insists that all checks are mailed to the client's home or are held at the department.

And an official in the State Department of Health and Social Services said that mailing checks to taverns "certainly wouldn't be very good practice."

Welfare checks are mailed "to the home address, or held in the department for an individual if we want to," said Arthur Silverman, welfare director. "In general, checks are mailed to the address."

"Welfare checks cannot be sent to other than the recipient's home or a designated payee," said Lowell D. Trewartha, director of the Bureau of Programs Planning and Development, Division of Family Services.

Trewartha said that if checks are being mailed to taverns, it is not "good practice."

"The implication (in state and federal guidelines) is very strong that checks should be sent to the address where the person is living, he said.

"I know I'll get my money when they (welfare recipients) cash their checks," Burliant told reporters.

TABS RUN HIGH

Some of the tabs at the Sixteen Hundred run as high as \$100, Burliant said.

If the bar bill exceeds the amount of the check, Burliant gives the recipient money for rent and carries the balance onto the next month's tab, he said.

Some of his customers "eat bologna sandwiches" all winter at churches that have programs to feed the needy, he said.

The Sixteen Hundred Bar caters to a large welfare clientele. With "35 cents a shot" as a drawing card, the tavern serves many of the blacks, whites and Indians who live in the area.

The 5th and 20th of each month is "Mother's Day" at the Sixteen Hundred, so named because those are the dates that checks come out for Aid to Families with Dependent Children.

The bar is teeming with customers from early in the morning until midnight on those occasions. Some welfare mothers spend a good portion of their checks at his tavern, Burliant said.

Conversation at the bar often revolves around the welfare system—and how to beat it.

METHODS EXCHANGED

One woman bragged to other customers how she defrauded the department of \$200 in one day, Burliant recalled. Other custom-

ers tell similar tales and trade schemes on how to get money out of the welfare department.

Rotter told a reporter that he does not give credit to persons who have checks mailed to Curley's and Curley's West.

"It's not that we want their checks so we can get a part of it," he said. "That fact is that the mailboxes don't lock and they can't protect their checks. . . . They know damn well that if their check comes here they're going to get it in their hands."

Silverman is not the only administrator who is confident that checks are mailed to the home and not to taverns or other commercial establishments.

"The postman will not leave the check unless he knows that client is living there," said Frank Pokorny, the department's financial assistance supervisor.

"That's an interagency agreement we have" with the post office, he said.

All checks, Pokorny said, are sent to the client's residence.

"It has to be sent to the residence," Pokorny repeated. "That check would come back to us because that postman knows that guy doesn't live there at that address."

OIL PRODUCERS' VIEWPOINT

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ARCHER. Mr. Speaker, last month the Tulsa Daily World published an account of a recent statement concerning a national energy policy issued by the Mid-Continent Oil & Gas Association.

In view of the decreased availability of energy supplies and the controversy over pressure for rising prices, I especially commend the article to the attention of my colleagues:

STATEMENT PREPARED FROM PRODUCERS' VIEWPOINT: PRICE FREEDOM STRESSED IN MIDCO'S ENERGY POLICY

(By Riley W. Wilson)

Leaders from the basic segment of the petroleum industry—the men who find, drill and produce the oil and gas—Thursday gave their version of what a national energy policy should be.

Directors of the national Mid-Continent Oil & Gas Association, a unique union of production men from giant major to small independent companies, didn't contradict other industry groups.

But their policy statement bore down hard on some basic points and went into practical oil-country detail on others, with all points supporting the basic goal of a strong domestic producing industry.

And the point stressed most seemed to be the need for free-play price action, not only to spur supplies but also to curb demand.

Tax incentives, which "reward success," also should be strengthened for exploration and production, and private enterprise should be encouraged, it added.

By design, the Mid-Continent directors spoke as producers, not as representatives of major or independent companies, refiners or marketers.

A year ago, the directors set up a special committee to make sure the producer viewpoint was heard in national energy policy discussions by the numerous industry and government study groups.

Jack Abernathy, president of Big Chief Co. in Oklahoma City and former chairman of

the National Petroleum Council, pressed for the producer input action.

The result was a separate policy statement for the Mid-Continent itself.

James Sewell, Dallas Independent and past president of the Mid-Continent, headed the committee.

Retiring Midco chairman N. H. Wheless Jr. of Shreveport, La., was also active in the drafting.

Policy statements by other industry groups have discussed price and associations representing the small producer-explorers have pressed strongly for price increases for crude oil.

Groups covering all sizes of oil companies, however, have tended to couch their discussions of price in such terms as "incentives," except when talking about gas deregulation.

The American Petroleum Institute, representing all segments of the petroleum industry, also referred to "market forces of competitive economy" as a desirable thing and to the "cost of supplying energy."

The producers of the Mid-Continent, however, hit price firmly and often as the best way to handle supply, demand, and what forms of energy should be used where.

"Market price in the free-enterprise system is the most effective regulator of supply and demand and also the best allocator of resources," the Midco statement said in its early listing of policy principles.

Later, it added:

"In all economic ventures, the incentive for greater supply is centered on price, i.e., a higher price elicits an increase in supply and a lower price—lower supply."

Still further:

"End-use controls of energy resources, which would involve federal regulations to dictate priorities for each type of consumer to which a fuel could be sold, would be exceedingly complex to develop and administer. . . . A free marketplace, where the laws of supply and demand are permitted to function, is the best allocator of supply and regulator of demand."

Calling for continued quantitative limits on imports—limited to the difference between domestic supply and demand—the Midco statement also said only foreign crude should be allowed entry.

This would encourage the construction of domestic refineries.

It added:

"Without a strong domestic petroleum producing and refining industry, the United States would be at the mercy of foreign cartels.

"These cartels would be in a position to raise oil prices even more rapidly than they are already being raised today."

In calling for access to federal lands, particularly offshore areas, the Mid-Continent went further than most industry groups in giving specifics.

Instead of generalized statements about "more frequent" sales of offshore leases, the producers said:

"There should be a sufficient number of lease sales each year to support an annual leasing program of 3 million to 5 million acres per year."

The statement also rapped the government's practice of rejecting some bids because they did not "equal a figure held in secret" by the government.

All bids that meet a pre-announced minimum should be honored, the Mid-Continent said. Rejecting bids after disclosing the operator's evaluations is discriminatory and prejudicial and could destroy the bidders' competitive position in the future, he added.

Because future exploration will be in high-risk and difficult operating areas, the producers also said consideration should be given to lengthening the lease terms beyond the present 5-year awards, "at the option of the Secretary of Interior."

The statement also advocated a single, comprehensive environmental impact report to cover offshore leasing to prevent delays caused by such reports at each stage of development.

Other points made:

Government funding for research should be confined to "exploratory and early development stages," with private industry assuming the responsibility for commercial development.

Emergency supplies of crude should be stockpiled.

The states should continue in charge of conservation controls.

No federal oil company can be justified. Natural gas prices should be freed of controls.

Environmental-energy balances must be developed.

The health and safety of the public and workers must be safeguarded.

MOST AMERICANS COMPREHEND PATRIOTISM, RESPECT OF POW'S

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. BOB WILSON. Mr. Speaker, while millions of Americans wept with joy over the return of our prisoners of war from Vietnam, the dissident few have attempted to cast doubt on the sincerity and true patriotism of these brave men, through charges of "orchestrated Americanism." The nonsense of this accusation has already become too apparent and I am sure many of my House colleagues will enjoy reading the following editorial published in the San Diego Evening Tribune on March 5:

MOST AMERICANS COMPREHEND PATRIOTISM, RESPECT OF POW'S

Old hatreds die hard.

We cannot be surprised then that the expressions of patriotism and pride from returning U.S. prisoners-of-war are treated with skepticism in those Iron Curtain nations where scorn of the United States is a way of life.

Despite the recent signals of civility between the Soviet Union and Washington, Moscow is not yet reconciled to the fact that some Americans like living under the capitalist system.

Izvestia, the government newspaper, deplored the "brain-washing" of POWs that made them nothing more than "pawns" of the Pentagon and the White House.

The newspaper described "Operation Homecoming" as a two-stage program carefully staged by the Pentagon.

"The Pentagon brain-washes the prisoners and prisoners brainwash the American public," Izvestia concluded.

We can shrug off the pronouncements of the Kremlin's house organ as predictable in a nation treading a diplomatic tightrope through a riven Communist world.

Less understandable, but equally predictable perhaps, are the echoes in our own country among those whose antiwar crusade flounders for want of an objective.

Newsweek's Shana Alexander, whose journalistic career blossomed during a lofty intellectual alliance with former Sen. Eugene McCarthy at the height of his abortive drive for the 1968 presidential nomination, agrees wholeheartedly with Izvestia.

Writing of the prisoners, she mourned ". . . the final irony . . . that after eight

cruel years as prisoners of war, they have now become hostages of propaganda, prisoners of peace with honor."

Unknowningly, perhaps, she parroted the Izvestia conviction that an apparent resurgence of American pride and dignity bears the touch of the "director's guiding hand."

"Stage-managed" was the Alexander term.

The force of the columnist's distrust of the POWs' "smart salutes, the recruiting-poster grins, the radiant wives, the... statements of gratitude" was blunted by her concession that the "commercial" must have been produced during a 20-hour plane ride.

The New York Times was similarly aghast at the manipulation of the prisoners by the detested Nixon administration.

The Times implied that the men were programmed like a computer, presumably for the glorification of the Commander-in-Chief and the Defense Department.

It is unfortunate that prejudice should be allowed to mar the joy of the prisoners in their freedom or to cast suspicion on their obvious sense of honor and purpose.

What Izvestia could not know—but what Shana Alexander and the New York Times should know—is that American respect for the qualities of patriotism, morality and self-discipline has not been swept away in a sea of permissiveness.

The contemptible effort to stamp the prisoners as puppets is made ludicrous by the simple mechanics of the homecoming procedure.

It ignores the reality that the majority of the returning POWs are career military men, intelligent, educated and dedicated to

the belief that they represent the finest country in the world.

It further fails to understand that the vast majority of the American people, regardless of their feelings toward a particular war, share that belief and find nothing incomprehensible in a public display of respect, loyalty and love.

ADMINISTRATION BUDGET POLICIES REFLECT SLOWDOWN AND STRETCHOUT OF PUBLIC WORKS PROJECTS THROUGHOUT NATION

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. EVINS of Tennessee. Mr. Speaker, our Subcommittee on Public Works and Atomic Energy Commission Appropriations has recently completed 3 weeks of hearings on the budget request of the U.S. Corps of Engineers for fiscal 1974.

In this connection I must advise the Members of the House that the budget recommends only five new construction starts and only eight planning starts and 10 surveys for the new year.

This represents the smallest recommendation of new starts in my memory as a member and chairman of this Sub-

committee on Public Works Appropriations.

This giant step backward in the Nation's public works construction program is a part of the general pattern in the budget of slowdowns, stretchouts, and delays.

The net result will be that the Nation will fall further behind in essential and necessary planning and construction of water resource and needed public works to provide vital and important services for our expanding population.

In addition, the unnecessary delays in public works which this budget envisions will increase the ultimate costs of public works projects when completed. The costs of construction materials and labor are increasing at an average rate of 15 percent annually.

In addition, the people will be denied—by slowdowns—the benefits of projects that could be brought on the line much earlier than the budget contemplates.

In this connection, because of the interest of my colleagues and the American people is a strong, viable, and continuing public works program in the national interest, I place in the RECORD herewith a table summarizing the total reductions for the Corps of Engineers of \$412,240,000, comparing the fiscal 1973 budget with the fiscal 1974 requests.

The information follows:

COMPARISON OF FISCAL YEAR 1974 BUDGET REQUEST TO FISCAL YEAR 1973 APPROPRIATION

	Fiscal year 1973 appropriation	Fiscal year 1974 appropriation request	General investigations	Advance engineering and design	Advance land acquisition	Construction	Major rehabilitation	Operation and maintenance	Total
Lower Mississippi Valley Division	\$155,115,900	\$124,593,000	-\$1,077,000	-\$1,624,000		-\$29,255,000		+\$1,433,100	-\$30,522,900
Missouri River Division	123,813,500	105,419,000	-2,000	-699,000	-2,000,000	-18,299,000	-200,000	+2,805,500	-18,394,500
New England Division	28,220,500	24,768,000	-575,000	-770,000		-2,423,000		+315,500	-3,452,500
North Atlantic Division	142,823,100	106,074,000	-1,888,000	-624,000		-35,459,000		1,221,900	-36,749,100
North-Central Division	122,376,300	90,864,000	-3,236,000	-870,000	+500,000	-17,799,000		-10,107,300	-31,512,300
North Pacific Division	298,397,300	246,405,000	-500,000	-1,125,000	-100,000	-54,861,000		+4,593,700	-51,992,300
Ohio River Division	261,356,100	209,831,000	+62,000	-2,458,000	-550,000	-50,355,000		+1,775,900	-51,525,100
Pacific Ocean Division	2,052,400	1,081,000	+272,000	-355,000		+200,000		-1,088,400	-971,400
South Atlantic Division	199,117,000	157,430,000	-723,000	-1,557,000	-1,500,000	-46,169,000	+6,900,000	+1,362,000	-41,687,000
South Pacific Division	109,932,300	68,600,000	-1,839,000	-3,309,000		-34,008,000		-2,176,300	-41,332,300
Southwestern Division	249,609,600	186,488,000	-1,561,000	-4,782,000		-59,443,000		+2,664,400	-63,121,600
Subtotal	1,692,814,000	1,321,553,000	-11,067,000	-18,173,000	-3,650,000	-347,871,000	+6,700,000	+2,800,000	-371,261,000
Mississippi River and tributaries (Lower Mississippi Valley)	113,320,000	111,561,000	-145,000	-160,000		-2,554,000		+1,100,000	-1,759,000
Remaining items (not by division)	132,926,000	93,706,000							-39,220,000
Total			-11,212,000	-18,233,000	-3,650,000	-350,425,000	+6,700,000	+3,900,000	-412,240,000

CONSTITUENTS' COMPLAINTS ABOUT SOARING FOOD COSTS

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Miss HOLTZMAN. Mr. Speaker, on a daily basis we are deluged with statistics about the soaring rise in food costs. We know that the typical American family must pay 2.5 percent more this week for its groceries than it paid last week. We also know that if the price of food continues to rise at the same rate, Americans will experience a 34-percent yearly increase in their food bills.

However, as startling as these statistics are, nothing has impressed me more about this problem than the articulate and forthright letters I have received from my constituents explaining their

daily battles with their own domestic budgets. Today I introduce into the the CONGRESSIONAL RECORD a typical letter which I have received on this subject. It was written by Mrs. Betty Lavin, a housewife and mother of six children. It portrays more dramatically the nature of the crisis we are confronting than any set of Government statistics.

It is my hope that letters of this nature will spur us to fill the void left by the President's inaction in this area:

Representative ELIZABETH HOLTZMAN, House of Representatives, Washington, D.C.

DEAR CONGRESSWOMAN HOLTZMAN: As an enraged housewife I am writing to you to protest against the ungodly inflation of food prices. Today's Daily News featured an article in which you were interviewed on this subject. The general comment of all the Congressmen interviewed was that people were not raising their voices via letters to protest. Allow me to aid in filling this void.

We are a family of eight of better than

the national average of means. We have never sought anything for nothing and thank God for what we do have. We have paid through the nose for everything in the manner which all New Yorkers accept as a way of life. We have seen our hard-earned dollars thrown to the winds of waste, destruction, deterioration, and sheer folly. This is New York. Somehow, we managed in spite of it.

But now my kitchen has been invaded. For the record, I won't go down without a fight. I won't go down, period. My family has to eat; farm subsidies, quotas, wheat deals, crime syndicates or anything or anyone else be damned.

You were quoted as favoring price roll-backs. I call on you to speak and act for these roll-backs in Congress. Who is getting the golden egg that last month's chicken laid at 39¢ per pound? That same chicken is now 69¢. Beef is ridiculous and veal is \$4.00 per pound.

What we need is immediate action in this "kitchen crisis". Let the agriculture bloc know that America's breadbasket will be a pretty sad sack if it doesn't have America's

back-bone, the long suffering middle class, to hang on. The farmer who gets paid not to raise crops is just as much a free-loader as the welfare recipient who is too lazy to work. I pay for both of them. Let the unions involved know that the American housewife will be heard above their screams for more. After all, what does the union man stand to gain from this inflation? He goes home every night to a disgruntled wife, too. She stands next to me at the checkout and winces as each item is rung up. Let them all know—from politician to peddler—that Ms. America is no damn fool.

Once again, I endorse your stand for roll-backs and urge you to push all the way no matter what it takes or who it hurts. My children are waiting for their dinner—with meat and enough of it. I am ready to pay for it at fair prices but I will pay tribute to no one, no way, for it.

Good luck to you, Congresswoman, and good hunting.

Sincerely and hopefully yours,
Mrs. THOMAS V. LAVIN.

PLIGHT OF SOVIET JEWS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. LEHMAN. Mr. Speaker, another instance of Soviet harassment of Soviet Jews has been brought to our attention.

Mark Yampolsky, 25-year-old recent emigrant from the Soviet Union to Israel, began a hunger strike this morning in front of the Soviet Embassy. His purpose is to get the Soviet authorities to allow his wife's family to leave Russia. A similar hunger strike by the parents and sister of Mark's wife at the Central Telephone Station in Novosibirsk, Siberia, is now in its 6th day. Mark's wife Eleanora, is on a hunger strike in front of the Soviet Embassy in London.

Mark, who is from Kiev, and his wife Eleanora, from Novosibirsk, were granted permission several months ago to emigrate to Israel together with Eleanora's grandfather after considerable harassment from the Russian authorities. However, Eleanora's parents and sister, the Poltinnikovs, who also applied last year to leave Russia have had their emigration application denied.

Last Thursday, Eleanora's grandfather, who was recuperating in Switzerland prior to continuing his journey from Russia to Israel, died at the age of 84. The funeral is to take place April 6.

The Poltinnikovs began an immediate hunger strike in the emigration office of Novosibirsk to press the Russian authorities to allow them to attend the funeral in Switzerland and, subsequently, to emigrate to Israel. Mark and Eleanora decided to resort to hunger strikes when Eleanora was told 2 days ago by telephone by the Russian authorities that "your parents will never be allowed to emigrate."

Dr. Isaac Poltinnikov, 53, Mark's father-in-law, is an outstanding ophthalmologist who retired 2 years ago. Since applying to emigrate to Israel last summer, he has had his pension suspended. In addition, the family has been subjected to ceaseless ordeals and abuses, in-

cluding imprisonment of the wife and daughter—Eleanora's sister. The imprisonment was terminated when Mrs. Poltinnikov suffered a heart attack while in jail.

The harassment, loss of pension, and arbitrary imprisonment are common measures used by the Soviet Government to terrorize Jews who have applied to emigrate from Russia and to intimidate others from applying.

Mark Yampolsky will be located throughout his hunger strike across the street from the Russian Embassy in front of the building at 1126 16th Street NW.

WE NEED A LONG, HARD LOOK AT THE IMPOUNDMENT BILLS

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. LEGGETT. Mr. Speaker, the Rules Committee is currently holding hearings on the variety of bills which attempt to reassert congressional control over the President's impoundment of appropriated funds. While I intend to address the Rules Committee on this issue next week, I would like to outline for my colleagues here, my thinking on this important matter.

I will make my remarks as concise as possible. My interest in reasserting the power of the Congress as the first branch of Government dates from late last year when I addressed several communications to all Democrats of the House and Senate calling for reform, reasserting our powers rather than acting as a limp bunch of pumpkins thrashing around in a vacuum as we did in the 92d Congress looked at in retrospect. Considering the fact that the President by Executive fiat cloaked in authority of the 1921 Anti-deficiency Act has virtually totally frustrated Congress in summarily terminating impact education aid, regional medical programs, economic development, OEO, REAP, REA, medical research training grants, migrant labor camps were placed in jeopardy, and all housing programs of 235-236 and self-help were frozen and child care and certain other social program funds were placed out of reach by impossible regulations.

To get out of our box will not be easy—we did not get in easy. In a report to the Congress in response to a resolution and Public Law 92-599 the Federal Impoundment and Information Act, the President has advised the Congress through the OMB that there is impounded \$8.7 billion of fiscal 1973 funds—an amount roughly equal to the funds allocated for general revenue sharing at the close of the last Congress. These items are referred to in the DSG analysis of February 15 last, and the CONGRESSIONAL RECORD of February 5, 1973, at 3282.

I think to fully understand what we must do to get the power we must understand what has been done. On March 15 last at page 8295 in the RECORD I detailed a story on impoundments as pre-

pared by the Library of Congress—senior specialist on Government research—that details 1973 fiscal year impoundment of not \$8.7 billion, but in addition five other types of exclusions as follows:

First, \$6 billion of EPA contract authority for water sewage treatment excluded on the ground that this is not an appropriation, only contract authority. Whatever the merits of this technical argument, it is not applied consistently by OMB for other contract authority is included in its report.

Second, \$3 to \$4 billion in highway funds. In June 1972, OMB reported highway-aid impoundments at \$5.7 billion; half a year later the amount was down to \$2.4 billion. Was there a massive release of highway money? Has highway construction been accelerated? No. What happened was that because of its deadlock over the diversion of highway trust money to mass transit, the 92d Congress failed to adopt a new highway aid bill. Consequently, it was not possible to apportion the funds that would have been in the new legislation or to withhold any funds.

According to Department of Transportation officials, if the highway legislation had been enacted last year, the amount held in reserve would be at least as high as the June 1972 level.

The Bureau of the Budget has made no secret that they intend to impound \$2 to \$3 billion of any highway funds that are enacted and there is a projected surplus in the highway trust fund admitted in the budget in brief document of \$6.73 billion by the end of fiscal 1974. These funds now bask in Government bonds and there is no program in the administration to capture this surplus for its intended purpose.

Third, \$380 million in proposed rescissions of 1973 appropriations. In his 1974 budget, the President proposes to rescind \$382 million in 1973 appropriations, of which \$283 million is for manpower training programs. The OMB report claims that "these amounts have been apportioned to the agencies pending congressional action."

Nevertheless, the administration has taken steps to insure that the anticipated savings will be realized. Otherwise, the moneys might be obligated or spent by the agencies before Congress acts and it would be too late to rescind the appropriations.

Fourth, \$1.9 billion in HEW-DOL money appropriated via continuing resolution. No continuing resolution money was incorporated in the February 5 OMB report. It is now certain that HEW-DOL will have to make do with a continuing resolution for all of fiscal 1973. But the President has indicated that he intends to hold spending \$1.9 billion below the level authorized by Congress. For all practical purposes, he has decided to impound the funds added by Congress.

Though the House and Senate records are clear that the enacted continuing resolutions calling for funding at the 87 percent level for A and B impact aid children, the administration indicates that these funds will be applied only to military B children.

Fifth, \$1 billion plus held up by vari-

ous administration actions. These include the moratorium on subsidized housing, the cutoff of FHA emergency loans, the moratorium on manpower training enrollments, and the change in regulations for social service grants. While the exact amount cannot be determined, \$1 billion is a very conservative estimate.

When the figures suggested here are added to the \$3.7 reported by the administration, the level of impoundment reaches \$18 billion, far above the amounts withheld by any previous President.

Dollars tell only a portion of the story; another part relates to the purpose and duration of the impoundment. The common feature of all impoundments is that budget authority voted by Congress is withheld by OMB. But the historical evidence suggests that in the past normal reserves were established early in the fiscal year to regulate the flow of funds to agencies. This sensible management of the Government's finances was particularly necessary for long-lead time projects for which funds were appropriated on a no-year basis. When agency spending plans firmed, the funds were released by the Bureau of the Budget.

This limited use of impoundments was the avowed practice of the Nixon administration as late as May 1971. At that time, the impoundment report showed \$12.2 billion in reserve, two-thirds of which was scheduled for release within a year, with additional amounts held for contingencies. But the May 1971 report claimed that the impoundments were for routine administrative and financial purposes just the "continuous process of funds coming into the tank and funds going out."

However, the current impoundments are for the purpose of terminating or curtailing programs approved by Congress. The Federal Impoundment and Information Act—title IV, Public Law 92-599—requires the President to include in his report the period of time for which the funds are to be impounded. OMB's February 5, 1973, report skirts this requirement by stating that "the period of time during which funds are to be in reserve is dependent in all cases upon the results of such later review."

That report classifies programs according to the reasons for which the funds have been withheld. Significantly, almost \$6 billion of the reported \$8.7 billion are justified as needed to hold down spending or to maintain economic stability. This includes impoundments for which more than one reason is provided. Impoundments in more than 100 programs are justified on these broad and questionable grounds. These are the programs ticketed for elimination or curtailment. This is the use of impoundment power to override congressional will, to change national policies and priorities.

But not one penny is withheld from military programs for this reason. In the case of the military, all the impoundments are temporary—the routine deferral of construction and procurement spending until the funds are needed. The full brunt of the President's expansion of the impoundment power is delivered on civilian programs. This dual standard

suggests that the economy drive in which impoundment is a major weapon is more a strategy to kill social programs than to save taxpayers' dollars.

To retrieve the power a number of suggestions have been offered.

I would include in the RECORD at this point a contrast of the Ervin S. 373 approach and the Mahon H.R. 5193 approach as prepared by the Library of Congress and I will then comment on other solutions and suggest my own.

The main difference in MAHON and ERVIN is that the Senate version would terminate any impoundment unless it is approved by Congress, while the House bill would require the President to cease any impoundment disapproved by Congress. Both approaches have defects.

First, as originally drawn, it is not clear that both bills cover contract authority.

Second, the current bills are directed to Presidential impoundment and may not cover important actions of agency heads on their own initiative—to wit, the new HEW social service regulations, the 18-month freeze on subsidized housing, the cut of disaster loan assistance, the Labor current abatement on manpower training.

Third, in an effort to close all possible loopholes, the Mahon and Ervin bills define impoundment broadly and loosely. Neither takes cognizance of the Antideficiency Act of 1921 (31 U.S.C. 665) which authorizes the establishment of reserves for certain generally noncontroversial purposes. As a consequence, the impoundment review process in Congress must cover both the large number of routine actions for which congressional oversight may be unproductive as well as the smaller number of questionable actions which exceed the purposes of the Antideficiency Act.

While it may be a difficult task, consideration might be given to a definition of impoundment that distinguishes between normal reserves and other action. For this purpose, the language of the Antideficiency Act might be tightened to preclude its use for unspecified "other developments." With such a distinction, congressional review could be targeted to that class of actions that exceeds the strict intent of the Antideficiency Act.

Moreover, in covering "all withholding or delaying the expenditure or obligation of funds" the bills extend an elaborate notification and review procedure to actions that have little—if anything—in common with impoundments. The language probably includes the holding back of payments in contract disputes or in case of fraud, delays in the completion of work, the processing of grant applications, and the like. The problem is compounded by the fact that no minimum time is prescribed for "withholding" or "delaying." A literal reading of this legislation can lead to an inundation of Congress by thousands of trivial items.

It may be prudent for Congress to forgo a no-loopholes approach in favor of one that concentrates legislative attention on the few significant executive actions that warrant review.

Fourth, the House bill generally conforms to the Federal Impoundment and Information Act, Public Law 92-599, en-

acted last year as part of the debt limit extension and requires prompt reporting and reasons by the President on impoundments. The President's obfuscation and narrow construction of the so-called Humphrey amendment has been confounding.

An alternative to a prompt reporting to Congress of everything impounded or contract authority abated might be to require periodic quarterly reports to the Congress.

Even a 3-month delay, however, sometimes can destroy a program near the end of an appropriation or contract authority period.

The Library of Congress states, "possibly the only way to avoid both this outcome and a flood of impoundment actions in Congress is to distinguish—as was suggested earlier—between those which strictly conform to the Antideficiency Act and those of questionable validity. But this would have to be predicated on a redrawing of the Antideficiency Act and tying it directly to the new legislation.

I have suggested an amendment to the Library that would substantially gut the 1921 Antideficiency Act (31 U.S.C. 665).

I would strike the portion in brackets of the following authority in a composite type amendment to one of the President's choke point bills:

Subsection (c) (2) of the act provides: "In apportioning any appropriation, reserves may be established to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements, greater efficiency of operations [or other developments] subsequent to the date on which such appropriation was made available. Whenever it is determined by an officer designated in subsection (d) of this section to make apportionments and reapportionments that any amount so reserved will not be required to carry out the purposes of the appropriation concerned, he shall recommend the rescission of such amount in the manner provided in the Budget and Accounting Act, 1921, for estimates of appropriations."

Fifth, the committee actions called for by the House and Senate bills is somewhat confused. Both use the concurrent resolution form. The House bill confirms considerable authority to the President to impound, gives too much discretion to committee chairmen to bring up a resolution or partial disapproval which is unamendable. The Senate bill would allow an impoundment to be effective for 60 days as drafted and would automatically go directly to the floor without committee action so it would be difficult to appoint conferees to resolve differences.

The Library analysis states:

The 60-day period is designed to give Congress sufficient time to review the President's action. But the impoundment is in effect throughout this period, regardless of subsequent action, unlike the comparable reorganization procedure where the President's plan takes effect only at the conclusion of 60 days. The problem is less critical in the Mahon bill for Congress may vote a resolution of disapproval without waiting for expiration of the 60 days. However, the Ervin bill appears to put Congress in a helpless position regarding those impoundments which it does not approve. Inasmuch as such impoundments lapse after 60 days unless

approved by Congress, there is no mechanism for the expression of congressional intent prior to the end of that period. Thus what is intended to strengthen congressional control of impoundments may actually weaken the capability of Congress during the initial 60 days.

The issue is vital because Congress in this legislation is giving labor backing to Presidential impoundments, even in the absence of specific congressional authorization. The *de facto* exercise of Presidential power hereafter will be wrapped in *de jure* status. That this may not be the intention of the legislation does not detract from its effect.

Furthermore, the 60-day period can be used to thwart the will of Congress by terminating programs which lapse during the period. A case in point is the \$6 billion withheld by EPA on Presidential order from water treatment projects. OMB has taken the position that once the funds were not allotted to the states by the January 1 deadline specified in the 1972 Act, they automatically lapsed. For this reason, the \$6 billion are not included in OMB's official impoundment list.

Congress may wish to model its impoundment procedure after that used for executive reorganizations and provide that they take place after 60 days. But this would curb the capability of the President to establish prudent budget reserves under the Antideficiency Act. This is still another reason for exploring the possibility of distinguishing between ordinary reserves and other impoundments.

Sixth, both bills are silent on the power of the President to impound for 60 days again after congressional action of disapproval.

Is impoundment necessary? I think it is—first for prudent money management it is absolutely required, but we must differentiate between simple money management with which the Congress is not concerned and wholesale termination of programs thwarting congressional will.

Additionally, when a President submits a budget for fiscal 1974 that allegedly is a full employment \$11½ billion deficit budget, but in fact involves a \$15 billion diversion from the trust funds and an increase in debt at a minimum of \$32 billion—\$473 billion to \$505 billion—then spending must be kept within limits if we are not prepared to endlessly tax.

Ideally, and beyond the scope of the present legislation, the Congress should have a procedure much like the California Legislature where even though each bill has a fiscal review, nothing is really funded until in an omnibus budget procedure at the end of the year, the needs of the State are measured against required taxes and a document in balance is then submitted to the Governor.

It simply does not make good sense to assume that—

First. The debt is immaterial when we will pay \$26 billion in interest this year alone.

Second. That taxes are in concrete and inevitable regardless of the Nation's needs.

Third. That we should continue to endlessly raid the trust funds for general fund purposes—now \$140 billion.

Fourth. To presume that because Congress stacks appropriations on top of each other without regard for the total that the President should not have some motivation to act if the Congress does not.

We need to get our House in better order—a procedure has been suggested that a flat percentage be taken out of every program—this is the Danielson modified Bow approach which assumes equal importance of everything in the event the President wants to limit. I do not think this approach is optimum although it is a way to protect social programs that many times are scrapped to get funds for Vietnam or defense. The Danielson approach is particularly vulnerable since many times only 10 percent of an appropriation bill are obligated during the first year.

WHAT VEHICLE DO WE USE TO LIMIT THE PRESIDENT'S POWER?

The two so-called choke points that are available are:

First. Supplemental appropriation bill which usually contains the President's required goodies; and

Second. The debt limit bill that must extend the permanent debt limit of \$400 billion by next June 30. We would deal with the Appropriations Committee or the Ways and Means Committee. Democratic caucus action in support of an omnibus amendment attached to the original bill made in order by this committee would be the proper approach.

In summary, I think that the President is not going to voluntarily reestablish this branch of Government. We have to take the power back from him. We must make it imperative that he sign a bill. The 1921 antideficiency bill must be amended. We must be careful in giving the President power he does not currently possess unless we provide for a simple resolution procedure of either House without committee action to get the President and his Cabinet back in line with congressional intent.

The Mahon bill has been justified by a New York Times editorial on the basis that the President would veto any approach as drastic as ERVIN's amendment. I frankly think that if we are going to tailor a bill to survive a veto override we will be doing very little to recapture the Congress lost power.

At this point in the RECORD I would like to insert the full text of the comparison of the two major impoundment bills conducted by the Library of Congress. The study follows:

A COMPARISON OF S. 373 AND H.R. 5193 RELATING TO THE IMPOUNDMENT OF FUNDS

This comparison is based on the bills as originally submitted. S. 373 introduced by Senator Ervin currently is undergoing markup and substantial revision by the Senate Government Operations Committee. In the House, hearings will begin shortly on H.R. 5193, introduced by Mr. Mahon.

Both bills have the same general purpose; to require the President to notify Congress whenever he impounds funds and to provide a procedure for congressional review of the President's actions. The main difference is that the Senate version would terminate any impoundment unless it is approved by Congress while the House bill would require the President to cease any impoundment if it is disapproved by Congress.

DEFINITION OF IMPOUNDMENT

Both bills define impoundment broadly to cover "any type of executive action which effectively precludes the obligation or expenditure" of funds. There are slight differences in wording, but not in intent. To ensure that

non-appropriated funds are covered, H.R. 5193 encompasses "the creation of obligations by contract in advance of appropriations as specifically authorized by law." (The Ervin bill can be interpreted to include only appropriated funds, but the revision now being considered in committee would expand the definition to encompass other authorized funds as well.)

Comment

In an effort to close all possible loopholes, the Mahon and Ervin bills define impoundment broadly and loosely. Neither takes cognizance of the Antideficiency Act of 1921 (31 U.S.C. 665) which authorizes the establishment of reserves for certain generally noncontroversial purposes. As a consequence, the impoundment review process in Congress must cover both the large number of routine actions for which congressional oversight may be unproductive as well as the smaller number of questionable actions which exceed the purposes of the Antideficiency Act.

While it may be a difficult task, consideration might be given to a definition of impoundment that distinguishes between normal reserves and other actions. For this purpose, the language of the Antideficiency Act might be tightened to preclude its use for unspecified "other developments." With such a distinction, congressional review could be targeted to that class of actions that exceeds the strict intent of the Antideficiency Act.

Moreover, in covering "all withholding or delaying the expenditure or obligation of funds" the bills extend an elaborate notification and review process to actions that have little (if anything) in common with impoundments. The language probably includes the holding back of payments in contracts disputes or in case of fraud, delays in the completion of work, the processing of grant applications, and the like. The problem is compounded by the fact that no minimum time is prescribed for "withholding" or "delaying". A literal reading of this legislation can lead to an inundation of Congress by thousands of trivial items.

It may be prudent for Congress to forgo a no-loopholes approach in favor of one that concentrates legislative attention on the few significant executive actions that warrant review.

While they are diligent to close Presidential loopholes, the two bills may inadvertently open the doors to others. As presently drawn, only Presidentially ordered or approved impoundments are covered. But the procedure might not encompass actions taken by agency heads on their own initiative and without explicit Presidential approval. If this interpretation is correct, the President might not be required to notify Congress of actions similar to the 18-month freeze on subsidized housing by HUD, the Labor Department's halt on enrollments in its manpower training programs, or the cutoff of FHA and SBA declared disasters. To remedy this possibility, the bills might be broadened to cover all impoundments by agency heads responsible to the President.

MESSAGE OF THE PRESIDENT

Both bills provide that within ten days after any impoundment, the President shall transmit a special message to Congress specifying the amount of funds impounded and the reasons for the impoundment. The Mahon bill further requires the special message to notify Congress of the date on which the funds were impounded, the account or agency from which the funds were impounded, the period of time during which the funds are to be impounded, and to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment.

The Ervin bill provides for publication of the impoundment message in the Federal Register as well for transmittal of a copy to the Comptroller General. It also provides

that in case any impoundment action reported in a special message is subsequently revised, the President shall promptly transmit to Congress a supplementary message. Finally, it requires the publication of a monthly impoundment list in the Congressional Record.

Comment

The additional reporting requirements contained in the house bill conform to the provisions of the Federal Impoundment and Information Act (Title IV, Public Law 92-599). The limited experience with that Act indicates that the Administration prefers to be reticent about the duration and impact of impoundments. Thus in its February 5, 1973 impoundment report OMB explains that "the period of time during which funds are to be in reserve is dependent in all cases upon the results of . . . late review."

The House bill allows for the inclusion of more than one impoundment in a special message but the Senate bill is unclear as to whether there must be a separate message for each impoundment. The question is of some importance for though the House bill allows partial disapproval of an impoundment, Senate action seems tied to the message itself rather than to any specific action reported therein. Moreover, the rules laid down in each bill for consideration of resolutions of approval or disapproval stipulate that no amendment to the resolution shall be in order.

An alternative to the approach embodied in both bills might be to designate the times during which periodic impoundments reports would have to be made by the President. As one possibility, the President might be required to report to Congress quarterly on the impoundments taken during the preceding three months. In this way, Congress would not be bombarded by a flow of impoundments reports with necessary followup action throughout its session. Furthermore, a quarterly system would conform to the time periods used by OMB for the establishment of budgetary reserves.

But in terms of congressional ability to override President impoundments a fixed reporting system has one formidable drawback. It would enable impoundments to be in effect as many as 100 days before Congress was notified and to remain in effect as much as 60 additional days without congressional action. This delay can be fatal for one-year appropriations from which funds are impounded in the fourth quarter. The funds would lapse before Congress had an opportunity to stake its own position.

Possibly the only way to avoid both this outcome and a flood of impoundment actions in Congress is to distinguish (as was suggested earlier) between those which strictly conform to the Antideficiency Act and those of questionable validity. But this would have to be predicated on a redrawing of the Antideficiency Act and tying it directly to the new legislation.

COMMITTEE ACTION

Once the impoundment message is received by Congress, there is considerable difference between the two bills regarding its handling in Congress. The Ervin bill provides that "a resolution introduced with respect to a special message shall not be referred to a committee and shall be privileged business for immediate consideration." The Mahon proposal, however, calls for referral of any such resolution to the Appropriations Committee. Each Appropriation Committee may determine, subject to the rules of each House, whether to report a resolution. In line with regular congressional procedure, the resolution may be considered by House or Senate only if it has been reported or if the committee has been discharged from its consideration.

Comment

The Ervin bill allows for none of the benefits of committee review and analysis. Once introduced, the impoundment resolution goes directly to the floor for immediate consideration. The Mahon bill, on the other hand, enables the Appropriations Committees to pigeon-hole a resolution and bar consideration by the House or Senate unless a discharge motion is approved.

One way out of these polar alternatives—no committee review versus the potential for killing the resolution in committee—would be to provide for referral of an impoundment resolution to committee subject to automatic discharge if the committee fails to report it within a prescribed period of time. In view of the 60-day periods contemplated in both bills for congressional action, the committees might be allowed 30-45 days after which they would be discharged from consideration.

One difficulty that might emerge from the Ervin bill's failure to provide for committee action would be the procedure for reconciling differing House and Senate resolutions. There would be no committee with special expertise in the area from which conferees may be drawn nor any committee with exclusive jurisdiction. Both the Appropriations Committees and the subject matter committees may claim jurisdiction.

ACTION BY EACH HOUSE

The primary difference between the two bills is that the Mahon bill would allow the impoundment to prevail unless it was disapproved within 60 days while the Ervin bill calls for the lapsing of any impoundment that has not been approved within 60 days. Both bills provide for congressional consideration by means of concurrent resolution rather than the simple resolution procedure used for congressional disapproval of Presidential reorganization plans.

Under both bills, the impoundment continues in force during the 60-day period, unless of course Congress takes earlier action. Both bills detail similar procedures for floor consideration of the concurrent resolution. A motion to proceed to consideration of a resolution is highly privileged and not debatable. Debate on the resolution itself is limited to two hours in the Mahon bill and ten hours in the Ervin proposal. No amendment or motion to recommit is in order. One difference between the two approaches is that the Ervin bill precludes more than one resolution with the same special message. As indicated earlier, the Mahon bill provides that "where a special message specifies more than one impoundment of funds, the resolution may relate to any one or more of such impoundments; and the resolution with respect to any impoundment may express the disapproval of the Congress of any amount thereof and may set forth the basis on which the impoundment is disapproved."

Comment

The 60-day period is designed to give Congress sufficient time to review the President's action. But the impoundment is in effect throughout this period, regardless of subsequent action, unlike the comparable reorganization procedure where the President's plan takes effect only at the conclusion of 60 days. The problem is less critical in the Mahon bill for Congress may vote a resolution of disapproval without waiting for expiration of the 60 days. However, the Ervin bill appears to put Congress in a helpless position regarding those impoundments which it does not approve. Inasmuch as such impoundments lapse after 60 days unless approved by Congress, there is no mechanism for the expression of congressional intent prior to the end of that period. Thus what is intended to strengthen congressional control of impoundments may actually weaken the capability of Congress during the initial 60 days.

The issue is vital because Congress in this legislation is giving legal backing to Presidential impoundments, even in the absence of specific authorization. The *de facto* exercise of Presidential power hereafter will be wrapped in *de jure* status. That this may not be the intention of the legislation does not detract from its effect.

Furthermore, the 60 day period can be used to thwart the will of Congress by terminating programs which lapse during the period. A case in point is the \$6 billion withheld by EPA on Presidential order from water treatment projects. OMB has taken the position that once the funds were not allotted to the states by the January 1, 1973 deadline specified in the 1972 Act, they automatically lapsed. For this reason, the \$6 billion are not included in OMB's official impoundment list.

Congress may wish to model its impoundment procedure after that used for executive reorganizations and provide that they take place after 60 days. But this would curb the capability of the President to establish prudent budget reserves under the Anti-Deficiency Act. This is still another reason for exploring the possibility of distinguishing between ordinary reserves and other impoundments.

There may be some value in an impoundment procedure that gives Congress an opportunity to express more than an all-or-nothing or yes-no verdict. For example, Congress may wish to allow continuation of the impoundment for a limited period of time or it may accede to an impoundment of a portion of the funds withheld by the President. Still another possibility is to fix conditions for the further withholding of funds. At any rate, the Mahon bill provides for more efficient handling of impoundment matters by allowing their consolidation and differentiation in a single resolution.

Both bills are silent as to whether the President can impound *de novo* when an identical previous action has been disapproved (or not approved) by Congress. Clearly the intent of the resolution is to disallow this practice, but some specific prohibition may be helpful.

JOINT ECONOMIC COMMITTEE'S STUDY

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mrs. HOLT. Mr. Speaker, I rise today to commend the Joint Economic Committee's study entitled "How Public Welfare Benefits Are Distributed in Low Income Areas."

My colleague, Mrs. GRIFFITHS has done a much needed and an outstanding job of chairing this committee and in presenting the results to the Congress. This subcommittee staff study clearly shows the need of congressional action to effect meaningful reform of our nation's welfare programs.

Every abuse associated with the bureaucracy can be found in the welfare system. Currently we have over 1,100 Federal, State, and local agencies administering over 100 different programs at an annual cost in excess of \$100 billion. This is clearly an administrator's nightmare.

This study has demonstrated that there is a huge overlap of programs, that there is a wide disparity in benefits re-

ceived by households in the same economic condition, that there is large disincentives to work created by adding one program on top of another and by individual program benefit regulations, and that much tax money is wasted by duplicated administrative tasks. Many of us have suspected these abuses, we now have documented facts to substantiate our position.

I fully agree with the subcommittee's conclusions that the present income maintenance programs are in a serious need of complete overhaul. We must view this system as a whole with the objective of combining the overlapping programs and refining or eliminating the ineffective ones. This will not be an easy task but it is one that should receive the top priority of Congress. It is my resolve that I will attempt to bring about these needed changes.

I strongly urge my colleagues to join in a bipartisan effort to effect meaningful reform in the welfare system.

AND THE BOMBING CONTINUES

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. FRASER. Mr. Speaker, there is growing concern about U.S. bombing in Cambodia. When administration spokesmen made appearances recently at House Foreign Affairs Committee hearings I asked them what authority the President has to order this bombing. The Boston Globe article I am introducing at the conclusion of these remarks indicates that our colleague LES ASPIN has asked Secretary of Defense Elliot Richardson the same question. Presidential spokesmen have failed to provide adequate responses to newsmen seeking this information. None of us has received a satisfactory answer. And the bombing of Cambodia continues.

Mr. Speaker, it is time we had an answer to this question. Our men held prisoner have been returned, our troops are out of South Vietnam and a ceasefire has been negotiated. Previous justifications for bombing Cambodia no longer are valid, if they ever were. Surely the President does not contend that he can bomb whenever and where ever he chooses simply because he has a request from a friendly government to bomb.

The article follows:

[From the Boston Globe, Mar. 23, 1973]

SOUTHEAST ASIA BOMBING ALMOST AS HEAVY AS BEFORE TRUCE

(By Thomas Oliphant)

WASHINGTON.—The intensity of U.S. bombing in Indochina decreased only slightly during the first month of the Vietnam "cease-fire," according to statistics on file at the Pentagon.

Despite the fact that there were two fewer countries to bomb (North and South Vietnam) after the agreement took effect Jan. 28, the tonnage dropped on Laos and Cambodia during February was similar to that dropped during several months of the war when all four nations were being bombed.

Last month's tonnage total was 70,002, according to the Defense Department.

That represents a decline from the 101,394 tons dropped in January, the last month before the cease-fire agreement was signed. However, in terms of the nine-year history of the air war it is a very typical figure.

For example, since the Pentagon began compiling monthly figures in 1966, the average tonnage over 86 months of bombing was about 84,200, just slightly more than the figure for February.

Moreover, last month's total is larger than the monthly average for the years 1966 and 1971, and is just slightly below the average for 1967.

No figures are available from the Pentagon for the years 1964 and 1965, but the February figure is clearly larger than anything that could have been produced in those early years of the war.

It is also a large figure in its own right. If bombing continued at last month's rate for a year, more tons would have fallen than during the Korean War.

The Pentagon provides no breakdown of the tonnage. However, it is known that Laos was bombed every day in February until a ceasefire agreement took effect on Feb. 22.

In addition, Cambodia was bombed for 15 days last month, and raids have continued every day this month.

In both cases, this bombing has had two purposes: to support troops of the Laotian and Cambodian governments against their Communist foes, but also to harass attempts to bring men and supplies into South Vietnam.

However, beyond the fact that bombing is continuing at a historically high level, very little is known.

Each day, the Pacific command in Honolulu puts out a one-sentence statement that simply announces that bombing has occurred "at the request" of the government of the country being bombed.

Moreover, since the Vietnam cease-fire agreement took effect the military has stopped releasing weekly figures on the number of missions being flown by various kinds of planes in Southeast Asia.

No reason has been given for this new restriction on information about the continuing air war.

Meanwhile, there are signs on Capitol Hill of a revival of congressional interest in what remains of American involvement in Indochina.

For example, this week, Rep. Les Aspin (D-Wis.), a dovish member of the House Armed Services Committee, sent a letter to Defense Secretary Elliot Richardson complaining about the secrecy surrounding the bombing of Cambodia.

"What's actually happening," Aspin said, "is that the Administration is conducting its own air war over there and no one seems to know anything about it. It's way past time that we found out who we're bombing, why, how much, and with what authority. It's not just the public that is being kept in the dark, but members of Congress, too."

BUDGET CEILING AT BEGINNING OF EACH FISCAL YEAR

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ESCH. Mr. Speaker, yesterday I indicated that I would be offering an amendment to the Mahon bill on impoundment to provide for Congress to

fix a budget ceiling at the beginning of each fiscal year. The following is the text of that amendment:

To amend Section 1 that (a) whenever the President, during any fiscal year for which a budget ceiling has been adopted and observed by Congress under Section 5, impounds any funds authorized for a specific purpose or project, or approves the impounding of such funds by an officer or employee of the United States, he shall, within ten days thereafter, transmit to the House of Representatives and the Senate a special message specifying—

And by adding Section 5. (a) The Congress shall fix by concurrent resolution no later than forty-five days of continuous session after the receipt of the budget message from the President as required by law, a budget ceiling with respect to the next fiscal year. In fixing such ceiling, the Congress shall consider relevant economic indicators, program goals, and any relatively uncontrollable outlays under then existing law, including open-ended programs, and fixed costs.

(b) The budget ceiling established under subsection (a) shall be observed by the Congress in appropriating funds as a limitation on the total amount of funds appropriated for the fiscal year with respect to which budget ceiling is adopted.

ADMINISTRATION'S SLASHES

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. MINISH. Mr. Speaker, the administration's slashes in various programs have aroused deep concern among citizens who are familiar with the benefit derived from them. All of us favor Federal retrenchment, but the question arises as to whether the technicians and economists of the Office of Management and Budget are really equipped to render these judgments that will form our future.

A constituent involved in a Neighborhood Youth project has written a letter that I feel is worthy of our colleagues' attention. My constituent, as is true of his counterparts in other programs, could easily find employment elsewhere so the charge of self-interest does not really enter into the picture. What does emerge, as he points out in his letter that follows, is the fact that the success of the program in which he is engaged illustrates the consequences of ruthless across the board slashing.

Because of its pertinence to the debate that is now being waged on this crucial issue, I am inserting the letter that I have received from Mr. John F. Mulvihill, Jr., of Bloomfield, N.J., in its entirety at this point in the RECORD:

BLOOMFIELD, N.J.,
March 13, 1973.

Rep. JOSEPH G. MINISH,
House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE MINISH: I write to express my deep concern over the apparent indiscriminate discontinuance of Federally funded social programs. I am particularly concerned with the proposed discontinuance of all Neighborhood Youth Corps programs.

As you know the Mount Carmel Guild of Newark, where I am employed, conducts a portion of the Newark city-wide N.Y.C. called "Youth Chance". I also know that you are aware of the success of this program in fulfilling the basic purpose of in-school N.Y.C., i.e., providing meaningful work experience, financial assistance and career development, and reducing the number of high school dropouts. It is because of my exposure to the success of this program through my affiliation with the Guild that I have strong feelings about any across-the-board cuts in Federal programs without considering them on an individual basis.

The Administration claims that there are waste, corruption and ineffectiveness in the programs that it plans to cut. If these claims are true, then the waste, corruption and ineffectiveness should be dealt with appropriately. But after seeing the success of the Youth Chance program I have to conclude that there is much good being accomplished by many of the anti-poverty programs, and any discontinuance should come only after a program-by-program review.

The President has referred quite frequently to the commitment our Government has made over the years to our friends abroad. The social legislation which has come about during the past 40 years and especially during the 1960's is a commitment which our Government has made to the people at home. We cannot hope to successfully meet any foreign commitments if we are going to shirk our domestic commitments.

I feel that there is a real challenge before the people of the United States and men like yourself, as elected representatives, are in the best position to express the response of the people you represent. I strongly urge you to raise your voice on behalf of the people who need the programs that are currently in jeopardy, and that you urge your fellow representatives to join with you in this effort.

Sincerely yours,

JOHN F. MULVIHILL, Jr.

REV. LEON TROY HONORED AS
WARREN, OHIO, MAN OF THE YEAR

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. CARNEY of Ohio. Mr. Speaker, on Saturday, March 10, 1973, the Second Baptist Church of Warren, Ohio, honored its pastor, the Reverend Leon Troy, on the eighth anniversary of his service to the church. A banquet was held in his honor with representatives of the clergy, schools, professional fields, local businesses, community service organizations, family, and friends in attendance.

This year, Reverend Troy was the first black man to receive the Warren Area Jaycees' Man of the Year award. The Jaycees selected Reverend Troy for the award because he is an articulate and dedicated spokesman for his people and a man who is greatly respected for his forthright and honest evaluation of problems. In addition to being selected as Warren's Man of the Year, Reverend Troy is the first member of his race to serve on the Warren Board of Education, where he is currently serving as presi-

dent. He is also serving as president of the Ohio Baptist General Association, treasurer of the Northern Ohio District Congress, vice president of the National Baptist Convention, and trustee of the Ohio Baptist Convention. Even with all of these responsibilities, Reverend Troy finds time to serve on many community and civic boards, including the Trumbull Branch of Kent State University, the YMCA, and the advisory committee of the Welfare Board.

Principal speaker for the occasion was Common Pleas Court Judge Robert Franklin of Toledo, who is a former classmate and longtime friend of the Troy family. In his praise of Reverend Troy, Judge Franklin noted that—

To every task he has undertaken, he has given his best with compassion for his fellow man. Mr. Troy's work has been done simply because he has wanted to lessen someone else's burden.

Mr. Robert L. Dawson, director of Urban Renewal, extended greetings from the city of Warren and commended Mr. Troy for his positive influence on the citizens of Warren. Speaking for the Trumbull County commissioners, Mr. Walter Pestrak commended Reverend Troy as a man who has served his community with distinction. Attorney Lynn B. Griffith, Jr., stated that Mr. Troy had earned the respect of the entire community for the good example he has set. Spokesman for Second Baptist Church was Mr. W. H. McLaughlin.

Plaques were presented to Reverend Troy by Councilman James Isom in recognition of a resolution of commendation passed by the Warren City Council on March 5, and by Mr. Henry Thompson in appreciation from the Second Baptist Congregation. Mr. Robert Tipton spoke on behalf of the congregation's youth. Dr. Richard Huston, director of elementary and secondary education in Warren, introduced the speaker.

Reverend Troy was accompanied by his wife, his four sons, Leon Jr., Keith, Adam, and Eric, his mother, Mrs. William Taylor of Toledo, and many other relatives, including: Kim Allen, Doris Allen, Adrienne Troy, Carolyn Smith, nieces; Mrs. C. P. Cobb, sister; Kent Allen, nephew; Mr. and Mrs. J. Frank Troy, brother and sister-in-law; Mrs. Arthur McBride, sister-in-law; Mrs. Edith Lowndes, grandmother of Mrs. J. Frank Troy; Emory Troy, brother.

Mr. Maron Sibley served as master of ceremonies, and the invocation was given by Rev. W. K. Richardson, pastor of Friendship Baptist Church, and the benediction was given by Rev. Robert Taylor, pastor of Howland Community Church, and music was provided by Mr. John Daniel and his group of vocalists.

In charge of arrangements for the event were: W. H. McLaughlin, deacon, Robert Tipton, youth department; Henry L. Thompson and Harrison Johnson, co-chairmen; Mrs. McLaughlin, Mrs. Thompson, and Mrs. Johnson.

Mr. Speaker, we are proud to have Rev. Leon Troy and his charming family as members of our community.

TRIBUTE TO MR. ELLIOT CURRY

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. KETCHUM. Mr. Speaker, on the occasion of his retirement as a reporter on the San Luis Obispo County Telegram-Tribune newspaper, I would like to recognize an old friend and a dedicated citizen, Mr. Elliot Curry.

A recent article in the Telegram-Tribune gives an excellent account of his achievements. I would like to submit the following article to the House of Representatives as a tribute to an outstanding American journalist:

ELLIOT CURRY TO RETIRE FROM TELEGRAM-TRIBUNE

(By Warren Groshong)

It takes some imagination to visualize the Telegram-Tribune newsroom without Elliot Curry.

The tall, soft-spoken native of Meyers Falls, Wash., has been the paper's master of the elegant phrase since World War II. And it has always been baffling to other reporters how he has been able to make everything look so easy.

Curry, who just turned 70, has decided it is time to retire.

He will leave the Telegram-Tribune's editorial department on March 30 after 28 years here and 40 years in the news business.

Curry served as managing editor of the paper from 1944 to 1962 and from then on he was a general assignment reporter.

His role in recent years has been a pivotal one.

He is the man the news desk usually turns to when it needs a difficult story done quickly and accurately. He serves as sports editor every Tuesday and it is his job to see that all of the religion news gets written.

When the editor goes on vacation, the task of putting together the editorial page is almost always left to Elliot.

When the courthouse reporter or the city hall reporter can't make the scene, "Mr. Curry" usually wins the assignment.

Outside the office, he has been a lecturer in journalism at Cal Poly and a member of San Luis Obispo's Bicentennial Committee.

Curry has never been one to talk much about himself and his background.

Few people—even in the newsroom—know that he once was postmaster in a small town in Washington.

Curry received his journalism degree from the University of Washington in 1926.

He put himself through the university by washing dishes and waiting tables at Rafferty's Family Style Restaurant on Seattle's skid row.

Fresh out of school in 1927, Curry got into the writing business at the Oroville, Wash. Gazette, circulation 1,000.

The staff at the small weekly paper, says Curry, was "myself and the printer." He was working in the town where he had been raised.

After a jump to another small publication in the apple country near Wenatchee, Curry landed a job on the Examiner at Colville, Wash., 80 miles north of Spokane.

Among other things, he covered the police and courts in Colville and this meant that he had the "bootlegging beat" during prohibition.

"Every so often I would go to the sheriff's office in the morning and the deputy would say, 'Let's go out and knock over a still.'"

So they did.

"And we never had to go far to find one either."

It was during these years in Colville that Curry met Claire Nugent. They now have been married 41 years.

Being a Democrat working for a Democratic paper eventually led the young newspaperman to a different kind of outlet for his talents.

It was 1936 and Franklin D. Roosevelt had been elected to his second term in the White House. Colville's postmaster was a Republican and his days were numbered.

"One day I wrote a story in the Examiner about the possibilities of applying for the postmastership. Then I thought about what I had written and I said to myself, 'I could be postmaster.'"

Off went an application to the area's congressman and two months later Curry won the appointment.

After eight years, he decided to get back into the newspaper game, going to work for the Elverside, Calif. Morning Enterprise. After a short stay in Riverside County, Curry was named managing editor of the Telegram-Tribune, a post he held for 18 years.

He came to San Luis Obispo in 1944 at the height of World War II. Camp San Luis Obispo was flourishing with troops brought there to develop divisions for overseas duty.

There were lots of men in uniform around, but Curry was the only man in the newsroom.

"I had a three-girl staff. One covered the courthouse. Another did the society page and covered the city council and the third one covered the police and wrote features.

George Brand, editor of the Telegram-Tribune said of Curry:

"In every phase of his work, whether it is reporting, writing or editing, he is completely professional. He is never superficial in his work.

"In his relations with the public and with fellow staffers Curry embodies the very best of what the term 'gentleman' connotes. When I came to the Telegram-Tribune, I discovered some of the staff members addressed him as 'Mr. Curry.' It indicated their attitude of complete respect for him and his work.

"I share that respect."

Curry and his wife have two sons. John, 39, is a reporter for the San Mateo Times, and Gene, 36, is a research engineer for the Ford Motor Co. in Detroit and part-time Episcopal clergyman.

What's in the offing for Curry in his retirement years? "Our plans are indefinite," he said.

TAX RELIEF FOR PUBLIC SERVICE EMPLOYEES

HON. JEROME R. WALDIE
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. WALDIE. Mr. Speaker, I am today introducing a bill which would grant to State, local, and Federal Government employees tax exemption relief similar to that which has been available to social security and railroad retirement annuitants for many years. The simple fact is that if you are a Government retiree, you pay taxes on your entire pension, but if your check is coming from the social security or railroad retirement system, then your entire annuity is exempt from taxes.

This obvious inequity should not be allowed to continue. My bill would exempt from gross income for Federal income

tax purposes the first \$5,000 of aggregate income paid under both public and social security retirement systems. I take this action not in order to grant public service employees any preferential tax status, but rather in order to remedy the unfair and discriminatory hardship public employees now bear.

There are over 5,000 different retirement plans covering State, local, and Federal Government employees, and over 35 percent of the employees retiring under these plans are ineligible for any social security benefits. Statistics show that median pension income under private and public retirement programs is almost identical, when the retiree also receives social security benefits. However, the median pension income for public retirees, not receiving social security benefits, compares very unfavorably with private pension recipients. In view of the tax exempt status of social security benefit payments, the advantage of private over public pensioners becomes even more evident.

In order to understand the real hardship public retirees face in a system that taxes them at a greater rate than other retirees, I believe we must look at recent price increases in areas of the economy where both must allocate their income.

My home State of California provides telling examples of the "built-in" difficulties that any person who lives on a fixed income must face. In Los Angeles and San Francisco total food prices have increased 23.5 percent and 25 percent, respectively, over the last 5 years, while meat, poultry, and fish prices have increased 39 percent and 38 percent respectively, during the same time period. In addition, the general housing index has increased 26.3 percent in Los Angeles and 21.7 percent in San Francisco over the last 5 years.

To the difficulties of public service retirees trying to live in health and decency during these times, the Federal Government has imposed a greater burden of taxation upon governmental retirees than for social security and railroad retirees. In tax year 1968, over 2 million people paid tax on their pensions and annuities. The elderly made total tax payments in that year of \$7.6 billion which comes to payments of \$1,100 per return filed.

Mr. Speaker, it is not my intention to single out public employees in State, local, and Federal Governments and grant them special privilege available to no other citizens. The deduction prescribed in this bill would not grant those receiving both public pensions and social security benefits any advantage, but would rather grant an exemption for both public retirement and social security benefits roughly equal to the amount deductible under social security alone.

State, local, and Federal employees, having given their productive years to the betterment of Government service, deserve, at least, the same benefits Congress grants other retirement plan recipients. I, therefore, submit this bill for the careful consideration of the Members.

I include the full text of the bill in the RECORD:

H.R. 6399

A bill to amend the Internal Revenue Code of 1954 to exclude from gross income certain amounts of retirement benefits from public retirement systems

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as 125 and by inserting after section 123 the following new section:

"SEC. 124. CERTAIN RETIREMENT BENEFITS FROM PUBLIC RETIREMENT SYSTEMS.

"(a) Exclusion From Gross Income.—Except as provided in subsection (b), gross income does not include any amount received as a pension, annuity, or other retirement benefit under a public retirement system.

"(b) Dollar Limitation.—The amount excluded under subsection (a) by any individual for any taxable year shall not exceed an amount equal to \$5,000, less any amount received by such individual during the taxable year as a monthly benefit under title II of the Social Security Act.

"(c) Definition of Public Retirement System.—For purposes of this section, the term 'public retirement system' means a pension, annuity, retirement, or similar fund or system established by the United States, a State, a possession of the United States, any political subdivision of any of the foregoing, or the District of Columbia."

(b) Section 37(j) of such Code (relating to cross reference) is amended to read as follows:

"(j) Cross References.—
"(1) For disallowance of credit where tax is computed by Secretary or his delegate, see section 6014(a).

"(2) For exclusion from gross income of certain benefits received under public retirement systems, see section 124."

(c) Section 72(p) of such Code (relating to cross reference) is amended to read as follows:

"(p) Cross References.—
"(1) For limitation on adjustments to basis of annuity contracts sold, see section 1021.

"(2) For exclusion from gross income of certain benefits received under public retirement system, see section 124."

(d) The table of sections for such part III is amended by striking out the last items and inserting in lieu thereof the following:

"Sec. 124. Certain retirement benefits from public retirement systems.

"Sec. 125. Cross references to other Acts."

SEC. 2. The amendments made by the first section of this Act shall apply only with respect to taxable years ending after the date of the enactment of this Act.

WOUNDED KNEE UPRISING

HON. JOHN R. RARICK
OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. RARICK. Mr. Speaker, the great Wounded Knee uprising has certainly cooperated with the news media in creating headlines and further misunderstanding among our people.

The decent respectable Indians recognize the renegade AIM as an illegitimate scalping party out to undermine their image as full-blooded American citizens.

According to a report from Detroit, the renegade holdouts at Wounded Knee are a disgrace to all American Indians because their fracas has been financed by the white man through a so-called anti-poverty program.

The disgrace was further compounded by the report that the National Council of Churches, another semipoverty, tax-exempt religious front, was involved in the uprising.

Any American who wants to understand what is taking place at Wounded Knee owes it to himself to read the letter of Dick Wilson, president of the Oglala Sioux tribe, who indicates that the Wounded Knee affair was not intended to shame the great white father in Washington, so much as to embarrass the tribal government of the Oglala tribe. Apparently, the renegades fully understand, and have taken advantage of the depths to which the news media will sink to exploit an unfortunate local matter. Several newsclippings follow:

HALF AIM INDIANS SAID TO RECEIVE U.S. FUNDS

DETROIT, MICH., March 18.—The Detroit News reported today more than half the members of the American Indian Movement are employees of social welfare agencies financed primarily by federal grants.

The News story by John Peterson said the organization whose leaders were instrumental in the takeover of Wounded Knee, S.D., has received more than \$400,000 in federal funds since its founding in 1968 as an offshoot of a Minneapolis anti-poverty program. The News said AIM has 258 members.

The paper quoted an unnamed federal official as saying: "When AIM took over Wounded Knee three weeks ago, the Justice Department was all set to move in and make arrests."

"But then AIM leaders threatened to call a press conference and disclose exactly how much financing they've had from the federal government in recent months. That's when the Justice Department backed off."

Peterson's story said a two-week investigation disclosed that last June 21, AIM received a \$113,000 grant from the Office of Economic Opportunity. Of that amount, Peterson said, \$60,000 was for "survival" schools in Minneapolis, St. Paul and Milwaukee to "instill American Indian culture" in grade school-age children.

[From the Washington Evening Star and Daily News, Mar. 17, 1973]

CHURCHMEN TOLD BY BIA TO LEAVE WOUNDED KNEE

WOUNDED KNEE, S. DAK.—Bureau of Indian Affairs police have ordered all National Council of Churches representatives off the Pine Ridge Indian reservation for aiding and abetting militant Indians entrenched at Wounded Knee.

Armed with a blanket summons issued by the Oglala Sioux Tribal Council, BIA police yesterday ordered about 20 NCC representatives to leave. The NCC volunteers, however, ignored a threat that they would be jailed and said they were staying.

BIA police exerted the power of the summons—which gives them authority to throw out nonresident "undesirables"—last night after a group of about 70 Indians, apparently non-Oglala, and whites seized a community hall in the nearby village of Porcupine.

Federal officers quickly ousted the group, which apparently was attempting to penetrate the cordon of marshals encircling Wounded Knee. There was no reports of violence.

TALKS EXPECTED TODAY

No negotiations to end the occupation of Wounded Knee were held yesterday because Asst. Atty. Gen. Harlington Wood was delayed in his return from Washington, where he was conferring with Justice and Interior Department officials.

Wood returned to Wounded Knee last night and negotiations were expected to be held today. Observers felt Wood had returned with a government offer to end the 18-day-old occupation by the American Indian Movement (AIM).

Dick Wilson, the Oglala Sioux tribal chairman who has been an outspoken critic of the AIM takeover, said the council declared a state of emergency and authorized the tribal court to issue the blanket summons. When informed NCC representatives planned to stay, he said, "If they do that, they will sit in our jail."

However, there was no immediate move to oust the NCC representatives, who have been serving as mediators between the government and the 200 militant occupants.

MORE FOOD

The NCC was playing a key role in setting up a program providing more food for the occupation force which a spokesman called the "Pine Ridge Reservation Disaster Fund."

The Rev. John Adams of Washington, D.C., said the NCC had pledges totaling more than \$6,000 and that \$1,200 of that had been allocated for groceries.

The NCC, with government approval, has taken in only two car trunk loads of food and medicine during the past two days.

American Indian Movement leader Russell Means said from inside the village that the occupation force is on a subsistence diet and the village has no fuel.

THE OGLALA SIOUX PRESIDENT ON INDIAN GOVERNMENT AND THE AIM MOVEMENT

During the last few days I have been reading what the white man's newspapers have been saying about the goings-on on our reservations. It has made me really wonder. Why don't the reporters try to find out what's going on before they start writing?

If you want to know what is going on at Wounded Knee now you have to understand what has been happening to our people for the last hundred years. After the United States army invaded our country and our warriors finally had to surrender in 1877, the United States set up an occupation government for us. We were run by the Bureau of Indian Affairs and on our reservation, the superintendent was the mayor, the city council, and the chief judge, all rolled in one. He really was a tin god. Yes, there were also some Indian spokesmen, but they were nothing but puppets.

Our occupation government lasted for a long time. More than 50 years passed before the first change came. Under the Indian Reorganization Act of 1934 we were finally given a chance to set up our own government. We did that by vote of the people in 1935. A majority of the people voted to set up our self government, but there was a strong minority against it. A lot of people were accustomed to being run by the Bureau of Indian Affairs and wanted to keep it that way. Our self government was set up by a vote of 1,348 for and 1,041 against. The opponents of self government, the people who preferred paternalism, have been agitating against our tribal government for a long, long time.

But our tribal self government has existed since 1935. The people elected a president and a tribal council in accordance with our tribal constitution. The council passes ordinances and the president and his staff have to carry them out.

The present council and I, as president, were elected by the voters of the Oglala

Sioux Tribe in the tribal election of December 1971. I received 1,554 votes and my opponent received 1,130 votes. We were the top two candidates in the primary, where there were six candidates. The councilmen were elected in the same election, each of them running from his district. We have no political parties in our tribe. Each candidate runs on his own.

Since we took office in 1972, the council and I have tried to run the affairs of the tribe to the best of our ability. It is a hard job. Our people have lots of problems and we sure need more help than we have been getting. But we have tried hard and we have tried to do our best. Everybody knows now who is in charge on this reservation. It is the tribal government, not the Bureau of Indian Affairs.

As I have said, there are some people who haven't liked the tribal government ever since it was set up and they still have supporters today. When they are agitating, they are not just agitating against me personally but against a tribal government that takes charge; they really don't want their own people to run the affairs of the reservation. They have more faith in being run by outsiders than in their own people they believe in paternalism.

I believe in tribal self government and Indian people speaking up for themselves. But I don't believe in taking hostages, in threatening lives. And I don't believe in disrupting government operations. I think that is plain stupid, it doesn't help a single Indian. It sure doesn't help my people. That's why I have been opposed to the AIM movement and have made no bones about saying how I feel. Because I spoke my mind, the AIM people have been against me and have made threats against me and my family.

It would really be funny, if it weren't so serious, that some of the paternalists on our reservation who want to abolish the tribal government and go back to being run by the superintendent have linked up with the same people who tore up the Bureau of Indian Affairs in Washington. But that is what has happened at Wounded Knee. Both sides have only one interest, to embarrass the tribal government of the Oglala Sioux Tribe.

But we are going to stick to our jobs. We are going to do what is right. We are going to see to it that we have law and order on our reservation and we are going to do our very best to give our people a better life. What we are asking the newspapers to do is to be fair to us. Is that too much?

DICK WILSON,
President of the Oglala Sioux Tribe.
PINE RIDGE, S. DAK.

FOREIGN TRADE AND AMERICAN JOBS

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ANDERSON of Illinois. Mr. Speaker, the subject of foreign trade will receive increasing attention this year in view of the precarious international economic situation and expected congressional action this year on a major trade bill. My good friend and colleague from Ohio (Mr. WHALEN) recently addressed himself to this subject in a speech before the Association for Systems Management in Dayton, Ohio. In his address he cogently deals with the major issues involved in the trade question and various approaches to legislatively deal

with these. He has a persuasive manner, he explodes the myth that the only way to protect American jobs is to pass protectionist trade legislation. On the basis of a number of studies, Mr. Whalen concludes:

In fact, it has been established that United States foreign direct investments create, rather than destroy, American jobs.

At this point in the RECORD, Mr. Speaker, I include the full text of Congressman WHALEN's speech and commend it to the reading of my colleagues.

The speech follows:

FOREIGN TRADE AND AMERICAN JOBS

(Remarks by Congressman CHARLES W. WHALEN, JR., March 16, 1973, before the Association for Systems Management, Dayton, Ohio)

I—INTRODUCTION

For years foreign trade has been a neglected element of America's economy. This stems largely from the fact that United States' participation in international commerce has been small in relation to our total economic effort. Our export-import total, as a percentage of gross national product, has been substantially less than that of other major industrial nations. Yet, because of our size, we are the world's leading trading nation (see table 1).

During the past decade, however, there has developed a growing public concern regarding our foreign trade posture. Initial awareness was sparked in the 1960s by recurring balance of payments deficits. Then, in 1971, for the first time in this century, our country suffered a trade deficit (imports exceeded exports). Finally, as domestic unemployment mounted during 1970 and 1971, some began to question whether our international trade patterns might not have contributed to this dilemma.

The following analysis will focus on the last issue: namely, *what effect has United States' foreign trade had upon jobs?* Specifically, has it *created jobs?* Has it *cost jobs?* What is the overall result in terms of *total jobs?*

TABLE 1

	Merchandise exports (bill)	Merchandise imports (bill)	Total trade percent of GNP
U.S. foreign trade:			
1961.....	\$20.1	\$14.5	6.6
1971.....	43.5	45.6	8.4
Other industrial nations (1971):			
Great Britain.....	22.3	24.0	34.2
West Germany.....	39.0	34.5	33.8
Netherlands.....	13.8	15.4	80.0

II—INTERNATIONAL TRADE AND THE LOSS OF JOBS

Macroeconomists (those who study aggregates) tend to ignore microeconomic considerations. Thus, many who argue that tariffs, quotas, and other protective measures harm the total economy, fail to consider the plight of those individuals who might be adversely affected by foreign imports or by investment of American capital abroad. In so doing, these scholars fail to provide a constructive alternative to protectionism.

Indeed, there is substantial evidence that certain individual jobs have been eliminated by imports and foreign investment. Recently a distinguished Brookings Institution economist, Lawrence Krause, undertook a detailed study to measure the effects of foreign trade upon our society. As noted in the November, 1971, issue of Fortune magazine, Professor Krause concluded that "... the rise in imports and the decline in certain categories of exports wiped out 182,200 jobs."

The ramifications of this revelation were made clear to me in a very personal way. In 1968, a Dayton firm (in my Congressional District) producing printing machinery employed 655 persons. In that year its product was unchallenged in our country and had little competition abroad. Today two foreign-owned, Italian-based companies have captured almost all of the European market formerly dominated by the Dayton organization. The Italian producers also have made inroads domestically, now accounting for fifty percent of the printing machinery sales in the United States. To combat this competition, the Dayton company has shifted much of its production abroad. As a result, by mid-1972 employment in the Dayton factory had dropped to 185, a loss of 470 jobs in four years. The remaining positions soon will disappear when the firm ceases its Dayton operations.

III—THE ISSUE

Recognizing that importation of foreign-produced goods and exportation of American capital do cost jobs, a fundamental question arises: What can be done to assist the individual suffering the threat of, or the effects of, job elimination without, concurrently, harming the total economy?

IV—FAILURE OF PRESENT ASSISTANCE PROGRAMS

In 1962, at President Kennedy's behest, the Congress passed the Trade Expansion Act. This legislation armed the President's Special Trade Representative with the authority to negotiate mutual tariff reductions with other GATT (General Agreement on Trade and Tariff) member nations. The objective, of course, was to expand export opportunities for American producers.

Congress realized, however, that tariff reductions are a two-edged sword. Consequently, incorporated in the Trade Expansion Act of 1962 was a Trade Adjustment section. It was designed to cushion the shock of increased imports emanating from any agreement concluded by the President's trade negotiator.

Regrettably, this provision, in its implementation, has proved to be a dismal failure. Experience during the past ten years reveals that the Trade Adjustment clause contains three fundamental weaknesses.

First, the criteria for assistance are too rigid. In order to qualify for aid, the worker and his firm must prove that injury resulted in *major part* from trade concessions granted by the United States government. Substantiating this is a difficult (if not impossible) and time-consuming task.

Second, adjustment assistance applications, upon submission to federal authorities, face a long investigative process prior to certification.

Third, if the application ultimately is approved, assistance is received long after the problem arises. This fact was verified by James T. Lynn, Under Secretary of Commerce (now Secretary of Housing and Urban Development Department) during his May 10, 1972, appearance before the Foreign Economic Policy Subcommittee of the House Foreign Affairs Committee. Mr. Lynn noted that certification procedures are so lengthy that "many firms do not qualify until they have reached a point of virtual bankruptcy. Too often, then, assistance can become a case of giving blood transfusion to a corpse." Thus, Secretary Lynn conceded that "we can recognize and appreciate the widespread feeling that the present structure of trade adjustment assistance is defective in several important respects."

The results of these deficiencies were delineated by Laurence H. Silberman, Under Secretary of Labor, during the same session of the Foreign Economic Policy Subcommittee. Mr. Silberman testified: "For the first seven years after enactment, until almost

the end of 1969, no relief was provided to aggrieved workers or firms because they were not found by the Tariff Commission to meet the qualification standards of the program . . . Since that time, the (Labor) Department has issued 57 certificates of eligibility of workers to apply for trade adjustment assistance under the TEA. The terms of these certificates, which identify workers laid off from a specific plant or section thereof and the impact date, cover approximately 24,000 individuals."

No wonder, then, that the AFL-CIO's 1971 pamphlet, "Needed: A Constructive Foreign Trade Policy," dismissed the adjustment assistance effort as a "hoax."

V. THE NEED—A NEW APPROACH TO THE PROBLEM OF FOREIGN TRADE-RELATED UNEMPLOYMENT

In view of the limitations inherent in present Adjustment Assistance statutes, a new approach to the problem of foreign trade-inspired unemployment obviously is required. Two avenues have been proposed.

First, a substantial majority of the witnesses participating in the Foreign Economic Policy Subcommittee's 1972 hearings advocated enactment of an expanded, more viable trade adjustment assistance program.

Second, several spokesmen representing organized labor urged legislation which would limit imports and restrict investment of United States capital abroad.

The Foreign Economic Policy Subcommittee opted for the first approach. In its report issued August 20, 1972, the Subcommittee concluded:

"In order to strengthen and solidify our domestic economy and our foreign economic policy, adjustment assistance should have the primary claim on policy attention as a far less disruptive alternative to import restrictions."

In conformance with this principle, the Subcommittee then outlined a series of specific proposals. A summary of the principal recommendations follows.

First, an early warning system should be devised to avert economic dislocations and unemployment before they occur.

Second, assistance criteria should be simplified and liberalized to lessen the degree of uncertainty and the time lag now extant in the petitioning process.

Third, there should be an increase in the amount and duration of adjustment assistance.

Fourth, the requirements concerning previous work and earnings should be liberalized so that there is broad qualification for those who have been separated from adversely affected employment.

Fifth, adjustment assistance should be made available to workers in separate units of multi-plant firms.

Sixth, older workers must receive more equitable and constructive assistance.

Seventh, the government should assume the responsibility for maintaining the eligibility of an adversely affected worker for family health insurance, social security, and unemployment benefits. Additionally, legislation should be adopted to provide a portability mechanism which would protect the pension rights and other benefits of workers who have changed jobs.

Eighth, the retraining period should be extended to permit completion of the extensive programs required for high skilled services and technologically advanced industries. Further, workers still on payrolls, but who are threatened by the loss of future employment, should be eligible for retraining programs.

Ninth, a national employment service should be created to undertake expanded job training and counseling efforts. With the aid of an early warning system and a nationwide computer complex, this manpower service should be able to match workers and jobs, reduce actual and antici-

pated critical skill vacancies, and help correct geographic imbalances by directing unemployed workers to areas where their skills are in short supply.

Tenth, more reasonable relocation assistance should be provided to all workers displaced because of foreign competition, not just heads of households.

Eleventh, administrative complexities should be reduced to accelerate certification and delivery of worker benefits.

Twelfth, a special package of benefits, such as extended readjustment allowance, payments, health coverage, and intensive job counseling, should be made available in those special situations where workers are unable to take advantage of regular adjustment programs.

Thirteenth, firms adversely affected by foreign imports should be provided more attractive types of financial assistance. These should include loans with more favorable terms than regular commercial credit and interim financing between approval and delivery of benefits.

Fourteenth, new emphasis should be placed on research and development assistance for projects which create new job opportunities.

Fifteenth, joint worker-firm-community petitions should be permitted. These could facilitate coordination of community development projects which are designed to assist the area to diversify its industrial base and to rehabilitate those injured by foreign competition.

Sixteenth, in cases where adjustment assistance would be an insufficient remedy, the government should have the authority to negotiate orderly marketing agreements.

These arrangements should be limited in time, with a specified termination date, designed, to facilitate, not deter, the adjustment process.

The annual cost estimate of this expanded Adjustment Assistance package ranges from \$300 million to \$500 million. Some may view this figure with alarm in the light of current budgetary constraints. Yet, the alternatives—protectionism or no action at all—would be considerably more costly to American taxpayers and consumers.

According to Mrs. Gall Bradley, First Vice President of the League of Women Voters of the United States, present trade restraints probably add "about \$200 to \$300 a year to the average family's budget." As will be explained later, further import restrictions most certainly would boost the cost of living for all Americans.

Totally ignoring trade-inspired unemployment also involves heavy financial burdens. Not only do families of the unemployed suffer economic deprivation, public expenditures will increase substantially to meet mounting welfare and unemployment compensation demands.

On October 14, 1972, I co-sponsored H.R. 17188 which encompassed most of the foregoing recommendations. Time constraints precluded its consideration in the Ninety-Second Congress.

On February 28, 1973, I re-submitted the Trade Adjustment Assistance Organization Act. In offering this bill, I believe it complies with the Subcommittee's consensus "that what is needed are practical and timely adjustment mechanisms to respond to trade-induced unemployment and non-competitive industries on a national basis."

In my opinion, this represents a more economically sensible approach to the problem than the suggested alternative—import and foreign investment restrictions—which I now shall analyze.

VI—ANALYSIS OF THE ALTERNATIVE APPROACH— TRADE AND INVESTMENT RESTRICTIONS

A. Background

The growth of United States-owned foreign assets, coupled with our deteriorating

trade balance, led AFL-CIO President George Meany to observe in a filmed speech, presented on June 3, 1972, that "900,000 job opportunities have been lost in the past five years to imports and overseas subsidiaries of U.S. companies." President Meany stated that "the flood of imports is drowning whole communities." He charged that multi-national corporations are making "higher profits by building plants in foreign countries that give industry huge tax breaks and by hiring low-wage workers." Mr. Meany concluded his filmed talk by urging enactment of the Burke-Hartke Bill, which he said is the "common sense" approach to foreign trade and investment.

B. The Burke-Hartke bill

On September 28, 1971, Representative James A. Burke (D-Massachusetts) introduced H.R. 10914—The Foreign Trade and Investment Act of 1972. On the same day a companion measure, S. 2592, was presented in the Senate by Senator Vance Hartke (D-Indiana). These bills were not considered in the 92nd Congress either by the House Ways and Means Committee or the Senate Finance Committee. Thus, the authors are co-sponsoring this legislation again in the 93rd Congress (H.R. 62 and S. 151).

The purpose of this proposal, as defined in its preamble, is "to promote and maintain a fully employed, innovative and diversified production base in the United States." To achieve this, it seeks to insure "that the production of goods which have historically been produced in the United States is continued and maintained" and "production of such goods . . . transferred abroad . . . be encouraged to return to the United States." Burke-Hartke would accomplish these aims in two ways: (1) *restrict imports*; and (2) *limit United States foreign investment*.

Specifically, the recently introduced Foreign Trade and Investment Act of 1973 imposes quotas on all imports not now subject to such provision. The bill provides that 1973 imports for each category of goods shall not exceed the average annual quantity which entered our country during calendar years 1965-1969. This would reduce import levels in 1973 by approximately 30 percent.

Further, Section 103 eliminates the present law which enables American corporations to claim as a full credit against their domestic tax liability those taxes paid to foreign nations on profits earned by subsidiaries operating in those countries.

This, of course, would subject the American firm to double taxation on profits earned abroad—taxes to the host country as well as our own. Burke-Hartke also requires that earnings and profits from foreign investments be reported in the year in which they are earned rather than when they are repatriated.

C. Fundamental questions relating to Burke-Hartke proposal

Any discussion of the Foreign Trade and Investment Act of 1973 should focus on two fundamental questions:

First, are its premises valid? Specifically, has the principal cause of our recent unemployment problem been increased by American imports and foreign investment?

Second, what economic effects would ensue from passage of Burke-Hartke?

How would the individual American family be affected? Would unemployment decrease or increase?

In the following paragraphs I shall examine each of these two issues.

D. Are premises valid?

(1) Net effect of Trade (Exports-Imports) on Domestic Jobs.

As already noted, imports do eliminate domestic jobs. Nevertheless, the question remains: Did imports contribute significantly to the 1970-72 level of unemployment? In the study to which I previously referred,

Professor Lawrence Krause concluded that between the first quarter, 1970, and the first quarter, 1971, very little of our unemployment was related to international trade. Professor Krause observed: "If unemployment had increased *only* because of trade dislocations, the unemployment rate would have risen from 4.16 percent at the beginning of the period to only 4.18 percent at the end, rather than to the actual 5.93 percent."

Recent employment statistics reinforce this conclusion. Our nation in 1971 and 1972 sustained, respectively, trade deficits of \$2.014 billion and \$6.347 billion. Yet, during these same twenty-four months total civilian employment (seasonally adjusted) rose 3,782,000 (from 83,485,000, as of December 31, 1970, to 87,267,000, as of December 31, 1972). Also, during this two-year period unemployment declined 571,000 (from 5,085,000 at the end of 1970 to 4,487,000 by December 31, 1972).

If foreign trade is not the culprit, what caused rising joblessness during 1970 and 1971? Actually, it is attributable to the inflationary crunch of the late 1960s. As prices rose in 1966, 1967, 1968, and 1969, the buying power of a growing number of segments of the economy declined. Let me cite four such areas.

First, those living on fixed incomes, such as pension recipients, witnessed a 16 percent drop in their purchasing capacity between December 31, 1965, and December 31, 1969.

Second, employees of firms operating in a highly competitive environment saw, during those years, their ability to buy dissipate. Their employers simply were unable to offset any cost increases by raising their prices; hence, wages lagged.

Third, certain of our foreign markets were lost during this four-year period. While American prices increased 16 percent, between the end of 1965 and December 31, 1969, the prices of our major foreign competitors rose more slowly. Consequently, potential foreign buyers began diverting their purchases to lower-priced non-American products of equal quality.

Fourth, even those who were protected by large unions saw their "real" wages decline during these same 48 months. For example, in December 1965, according to the Bureau of Labor Statistics, spendable average weekly earnings of manufacturing employees was \$104.42 (1967 dollars). Due to the erosive effects of inflation, the manufacturing employee's spendable average weekly earnings, as of December 31, 1969, had dropped to \$102.40. This represents a \$2.02 per week decline in labor's "real buying power" during the last four years of the past decade.

What lesson can be drawn from this? When consumers (domestic or foreign) suffer a reduction in their purchasing power, they buy less. Following this are cut-backs in production and employment levels. This is as inevitable as night following day. This is why Real Gross National Product declined by \$2.8 billion in 1970. This reduction in the total output of our nation's goods and services that year was accompanied by a concomitant decline in employment and a swelling unemployment percentage (6.2%).

The question recurs: Why have imports had so little impact on total unemployment? The answer lies in a simple economic fact. When one sells more of his wares, his income rises, thereby expanding his purchasing power. This principle applies equally to international commerce. By increasing their sales in this country, foreigners acquire *more dollars*. These additional dollars are used to obtain more American goods. Consequently, while increased imports in some instances have cost domestic jobs, this loss has been more than offset by the increased employment which expanded exports have sparked.

This conclusion is substantiated by Lawrence Krause's study. Professor Krause finds that: "While the rise in imports and the de-

cline in certain categories of exports (from the first quarter of 1970 through the first quarter of 1971) wiped out 182,200 jobs, the increase in other exports and the decline in a few categories of imports created 182,700."

Imports also affect the purchasing power of domestic consumers. When a United States citizen is able to purchase a foreign-made good more cheaply than its American counterpart, he has more money to spend for other domestic items. Let me illustrate. If retailers market an American-made item at \$5.00 and a similar German product at \$4.00, the buyer, in selecting the foreign commodity, has an additional dollar to spend. If, however, trade restrictions force him to "buy American," his purchasing power actually declines by one dollar. Efficient American producers thereby are penalized.

The thrust of the foregoing is simply this. Imports not only enable foreigners to buy American-made commodities, also, by generating lower domestic prices they expand the ability of our own citizens to purchase domestically-produced goods.

In summary, what has been the effect of foreign trade on American jobs?

First, imports do abolish certain domestic jobs.

Second, by increasing foreign purchasing power, imports help create jobs in American export industries.

Third, the "ability-to-buy" of the American consumer is enhanced when he can procure a more competitively priced import. This has a positive job effect in economically viable domestic industries.

Fourth, during the past three years our foreign trade has resulted in a slight gain in total domestic employment (not to mention the uncalculated job increase created by expanded domestic buying power).

(2) Net Effect of United States Foreign Investment Upon Domestic Jobs

In 1961, United States direct investment abroad totaled \$32 billion. A decade later it had risen to \$86 billion. AFL-CIO President George Meany has argued that this \$54 billion growth in American-held foreign assets represents an "export" of jobs, positions which otherwise would have been held by American workers had the investment been made in our country.

This assumption leads to a basic question: Why do United States companies build facilities in other countries? Professor Robert Stobaugh, Jr., of the Harvard Business School observes, "... such investment is primarily defensive, in the sense that the investor is trying to maintain his place in the world market. Given a choice, the U.S. enterprise had rather produce in the United States than go abroad. But in most cases it does not have this alternative—if it does not expand abroad, it would lose its markets to foreign companies, usually large ones from Europe or Japan. This applies to its U.S. markets that it serves from its foreign plants as well as to its foreign markets."

Professor Stobaugh further suggests that, "Over 90 percent of the output of the foreign plants of American firms is sold abroad. The amount imported into the United States is less than one-quarter of our total imports of manufactured goods, and a substantial portion of this quarter is a result of one special arrangement: the U.S. Canadian Agreement."

A recent Commerce Department study confirms Professor Stobaugh's findings. The Department's findings indicate that of goods manufactured abroad by American-owned subsidiaries: 78 percent is sold in the host country; 14 percent is sold to third countries; and 8 percent returns to compete in the United States (of which three-fourths is automobiles from Canada).

In fact, it has been established that United States foreign direct investments create, rather than destroy, American jobs. Profes-

sor Stobaugh recently completed a Harvard Business School-sponsored study which concludes that "foreign investment by U.S. enterprises have a positive effect on both U.S. employment and the U.S. balance of payments. We estimate that if there were no U.S. foreign direct investment, some 600,000 jobs in the United States would be lost; and continuing research indicates that 600,000 is a very conservative figure."

Other trade studies echo the Harvard Business School analysis. One conducted by the distinguished economist, Governor Andrew Brimmer of the Federal Reserve System, estimates, "the foreign trade sector of the United States economy may be generating more than 750,000 jobs, even after allowing for the number of jobs that might be displaced by competitive imports."

Why has investment abroad expanded employment opportunities in the United States? Because most American-owned foreign plants, in order to operate, depend upon domestically produced capital machinery, parts, and finished components.

From these facts emerge two conclusions regarding United States investment abroad.

First, with few exceptions, American-financed foreign facilities would not have been constructed in our own country. Therefore, since jobs created by direct investment abroad could not have existed in the United States, they were not "exported."

Second, by requiring American-produced machinery and parts, United States-owned foreign plants actually have increased total employment in this country by 600,000-750,000.

E. Economic effects of Burke-Hartke legislation

The Burke-Hartke proposal, as indicated previously, presents a dual thrust. Through the imposition of quotas, it would reduce imports approximately thirty percent. Simultaneously, by subjecting American-owned subsidiaries to double taxation (by the host country as well as by our own government), it would raise the effective tax rate on foreign operations to more than seventy percent. Since no major nation levies its own corporate taxes on top of those paid by its companies to foreign governments, this feature of the Burke-Hartke Bill would render American overseas operations substantially uncompetitive.

How would these trade restrictions affect our domestic economy?

First, passage of the Foreign Trade and Investment Act of 1973 undoubtedly would save some jobs in uncompetitive American firms.

Second, by losing thirty percent of their sales in the American market, foreigners will be less able to buy United States-produced goods. Thus, employment in our exporting industries will suffer.

Third, many of the two million Americans engaged in marketing foreign products will lose their jobs in the wake of a thirty percent import cutback. There will follow a commensurate decline in domestic purchasing power.

Fourth, retaliation by those countries adversely affected by United States quotas is bound to occur. This ultimately will generate further job losses among exporting firms.

Fifth, the American consumer will have to foot the bill for subsidizing inefficient domestic manufacturers. Thus, he will pay higher prices, just as he currently pays higher prices for fuel oil and other items protected by import quotas. Professor Stephen Magee, University of Chicago economist, estimates that Burke-Hartke would cost the United States \$1.1 billion a year for the first five years after passage, \$3.5 billion per year in the second five years, and \$7 billion annually in the third five year period.

Sixth, this quota-spawned inflation will inhibit the consumer's capacity to obtain do-

mestic commodities which, in the absence of higher prices, he would have been able to procure.

Seventh, if overseas operations are terminated due to the impact of double taxation, United States plants that supply components to foreign subsidiaries would sustain serious employment cut-backs.

In summary, it is evident that passage of the Burke-Hartke proposal would seriously degrade our nation's standard of living. It would spark severe price increases. It would cost more jobs than it would save. It could trigger another international trade war such as that which provoked the Depression of the 1930's.

VII—CONCLUSION

Our nation's balance of payments and balance of trade deficits are among the major concerns of federal policy makers. In the foregoing analysis I have not attempted to deal with the causes and cures of these twin problems. Their resolution, obviously, would require:

First, bringing the dollar into a more realistic relationship with other currencies (this was the objective of our December, 1971, and February, 1973, devaluation);

Second, reducing United States' military commitments in Western Europe and Southeast Asia;

Third, stimulating greater production efficiency on the part of American workers (productivity in the United States, incidentally, increased 4.3 percent in 1972);

Fourth, containing domestic prices (our performance—a 3.5 percent inflation rate during the past twelve months—surpassed that of our principal trading partners: United Kingdom, 7.8 percent; Italy, 7.3 percent; Switzerland, 6.8 percent; France, 6.6 percent; Germany, 6.4 percent; Japan, 5.5 percent);

Fifth, encouraging industry to pursue export markets more vigorously;

Sixth, seeking mutual reduction of non-tariff barriers which currently inhibit free movement of goods throughout the world (while this would help boost American exports, it also would raise our import levels since United States' policies, in most instances, match in their degree of protectionism those of our trading partners).

Rather, the preceding simply acknowledges and demonstrates that imports and foreign investments do, indeed, affect domestic jobs. It is this fact which prompted my reintroduction of the Trade Adjustment Assistance Organization Act. In my judgment this measure will ease the shock of changing international trade patterns by: (1) establishing an early-warning mechanism; (2) simplifying and expediting trade adjustment application procedures; (3) providing meaningful worker retraining programs; (4) maintaining displaced employees' incomes at reasonable levels during the re-training process. In so doing, it avoids the deleterious economic effects which protectionist legislation would precipitate.

PRESERVING RAIL TRANSPORTATION IN THE NORTHEAST

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. HARRINGTON. Mr. Speaker, the problems facing transportation in the Northeast, particularly rail transportation, are reaching critical proportions. This is nothing new or surprising. It is

something we have all been hearing for quite some time.

We need innovative ideas to reverse the trend of deteriorating service. We need the financial support of the Federal Government to get the trains on a solid foundation again. What we get instead are tired clichés and minimal support.

The Boston Globe ran an editorial on March 28 addressing this very question in both a wise and timely fashion. I insert that editorial in the RECORD at this time:

ON A SLOW TRACK

It was probably inevitable that the Administration's proposed plan for preserving rail service in the northeast would be as fragmentary and unsatisfactory as it turned out, in various respects, to have been.

The order for the report, delivered to Congress by Transportation Secretary Claude Brinegar on Monday, had been issued only last Feb. 8 in connection with the resolution ending a one-day work stoppage on the bankrupt Penn Central. Brinegar had been on the job only a few weeks and his background as an oil man was perhaps not ideal preparation for the task. He delegated the work, of course, but along with the President must bear the responsibility for the ultimate form of rail service in the area crossed by the Penn Central and five other, smaller bankrupt lines.

Three features stand out in the proposal. First, the solution is to be "private" in the sense that the structure of any new railroad organization is to be the property of stockholders. Second, rules are to be changed allowing the new organization to move much more quickly in eliminating service it feels is unprofitable. And third, the organization is itself to be brand new.

Something clearly has to be done to put rail service in the northeast on a rational footing. The railroads are now for the most part able to meet their immediate cash requirements but they have at best very small reserves to maintain, much less upgrade their equipment and right of way. And there is little visible hope that they might be able to come to grips with their indebtedness.

Brinegar's solution appears to call for some kind of liquidation of the indebtedness of the lines so that they may become part of a conventional business organization, similar to profitable competing lines in the east like the Norfolk & Western and the Baltimore & Ohio-Chesapeake & Ohio. But, since the Federal government is to take a hand at all, one must ask whether this might not be the moment to investigate a much more active role for the Department of Transportation in operating railroads. Such an arrangement would make it easier to attempt new operating techniques. It might help break the impasse over labor rules that were the immediate cause of the current report. And it might allow easier direct subsidy to equipment experiments that would benefit not only the public in the broad sense of the word but the surviving private railroad companies as well. Europe's and Canada's mixed economies have had great success with government-owned lines.

There is a significant pitfall in the second of the suggestions. Brinegar and others who have said similar things about uneconomic rail lines may be perfectly correct in suggesting sharp curtailment of services. But he may also be dead wrong. The absolutely crucial element in any such reduction in service is the preservation of rights of way on lines that are dropped from service. We simply do not know in 1973 what kinds of technical developments may restore the economic possibilities of feeder lines at some point in the future, or whether other modes of transportation might make use of old

transportation corridors. It is a blithering shame to see old transportation routes in Greater Boston built up while we are all still at sixes and sevens about the nature of our transportation network. Encroaching on the path of the old connector between the New York Central at Cottage Farm and the Boston & Maine in Somerville is a classic example of the short-sighted foreclosure of alternatives in the name of immediate expediency.

As to the format of the new organization, Brinegar has suggested it might be similar to Amtrak, the government-created organization that now runs most long-distance passenger traffic on American railroads. It might have been much wiser simply to assign the task of reordering the lines to Amtrak itself. Amtrak, after all, has nearly two years of experience in operating its passenger trains and undoubtedly would have a better start than a new organization.

The eastern railroad mess demands some really fresh ideas. Secretary Brinegar's suggestions seem unhappily pedestrian.

INEFFECTIVE CAA'S

HON. ROGER H. ZION

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ZION. Mr. Speaker, in a recent article published in the Indianapolis News, the results of a study of OEO-financed community action agencies were presented. The conclusions point out that most community action agencies have become another example of overstuffed bureaucracy and produce very few tangible services for the poor. I include the following article by Lou Hiner at this point in the RECORD:

[From the Indianapolis News, Mar. 6, 1973]

CAA'S ARE CRITICIZED IN REPORT

(By Lou Hiner, Jr.)

The Nation's poor "should rise up in anger" over the way the Community Action Agencies operate federally-funded programs, a Federal evaluation says.

The report was prepared by Morgan J. Doughton, acting associate director of the Office of Economic Opportunity in charge of program evaluation.

Doughton's study also indicates the nation's taxpayers should join the poor in rising up in anger because of the way their tax dollars are being spent.

"Community Action Agencies (CAA) overall have generated only 80 cents for each OEO Federal dollar," the study says, and Doughton describes the rate of return as "distressingly low."

To show what he considers a good rate of return on a dollar, Doughton used two private help programs in Indianapolis as examples. His report relates:

"In 1959, in Indianapolis, some 320 families in one poor neighborhood began working together in spare hours, contributing labor that became 'sweat equity' in new homes each family would own. . . .

"Foundations and businessmen provided a substantial revolving fund behind the mortgages; the banks agreed to accept the mortgages with the 'sweat equity' as the down payment. Beginning with \$50,000 this project triggered well over \$3 million in sweat, financing and other outputs. That is a \$60 to \$1 multiplier and far better than 80 cents to \$1, the CAA's report.

"In the mid-1960s, the Indianapolis business community underwrote a modest three-

person staff to coordinate volunteers from industry, each of whom, in turn, would intensively counsel one person seeking a job. For several years this initiative successfully placed 90 per cent of the thousands of people seeking help through it . . . representing perhaps \$1 million annually in volunteered time and contributed resources. The cost to businessmen was about \$60,000 annually, the multiplier was \$15 for every \$1. The contrast to the 80 cents for every dollar is staggering."

Doughton's report says that even most of the 80 cents actually was obtained through tax dollars. The CAA's "mobilized" \$1.3 billion over a four year period, but of that amount \$1.1 billion or 87 per cent involved grants to communities for specific local programs ranging from training, health, and community development to education.

"One can seriously question the degree to which CAA's rather than the electoral process itself 'mobilized' the \$1.1 billion governmental portion; doubtless, the CAA's were involved, but it can be inferred that without the involvement the funds still would have reached the community," the report adds.

Doughton believes it is hardly "praiseworthy" for the CAAs to brag of influencing over a four-year period some 1,743 institutions and 1,593 employers to change their policies toward helping the poor. Since there were nearly 600 CAA's in operation that figures out to each influencing three organizations and 2.5 employers in a span of four years.

The CAA's have not worked hard enough to attract private foundation moneys into their programs, the report says. The 591 organizations received \$165 million in private support which represents only 3 per cent of total U.S. private philanthropic dollars disbursed over the four years.

The report concludes: "The basic observation about this study is that it demonstrates that the CAA's have in no way proved to be dynamic engines for change in their communities, mobilizing and marshaling ever-increasing available resources.

"Rather, the study suggests that the CAA's have become yet another level of over-staffed bureaucracy engaged in the destructive game of competitive grantsmanship.

"It now properly rests with the states and cities to decide how best to utilize available funds on the local level where the problems exist."

BLACK HALL OF FAME FORMED IN SAN BERNARDINO

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. BROWN of California. Mr. Speaker, I rise today to bring to the attention of the Congress the accomplishments of a group of young people in my district who have come together to form a social action organization called Kutania, which in Swahili means "people helping others."

In the short period Kutania has been in existence, its impact on the local black community of San Bernardino, Calif., has been most positive. These young people—Chairman Wilbur Brown, Vice Chairman Wilmer Carter, and members Larry Blakely, Tony Blakely, Larry Culberson, Sonia Franklin, Theresa Franklin, Edward Johnson, Carolyn Perkins, Judy Rayes, Robert Rochelle, and Jenni-

fer Vaughn—have played a major role in organizing sickle cell anemia screening drives, educational and career development counseling for high school students, and various cultural events.

More recently they have joined the Sportsmen Athletic Club and its president, Leonard Jacks, in sponsoring a "Black Hall of Fame" which was formed to give proper recognition to local black high school and junior college athletes.

Mr. Claude Anderson, day sports editor for the San Bernardino Sun-Telegram, wrote of their recent activity in an article which appeared on Tuesday, March 6, and I take this opportunity to share that article with our colleagues as a way of commending Kutania and the Sportsmen Athletic Club for their recent success:

BLACK HALL OF FAME FORMED IN SAN BERNARDINO

Black athletes have contributed greatly to the success of San Bernardino high school and junior college teams for many years.

In order to properly recognize their role, the Sportsmen Club and the Kutania Club founded the San Bernardino Black Hall of Fame.

The two clubs held their first annual banquet to honor those stars of the past at the Kola Shanah.

Robert Howard, former San Bernardino High and Valley College star and currently a defensive back for the San Diego Chargers, was named the first recipient of the Tom Hester Memorial Award. Hester was an SBHS track star in the early 1960's who died in an auto accident.

He joins such stars as Earnest McMurray, Andy Brown, Charles Tribble, Junior Howard, Atwood Grandberry and Homer Robertson from the pre-1963 period.

Other black athletes added to the "hall" were Ernie Powell and Sherman Sweeney, 1964; Edgar Delmon, 1965; Terry Hall, 1966; George Tribble and John Cain, 1967; Cliff Culbreath, 1968; Larry Jackson, 1969; Tom Cauley, 1970; Remel Diggs, 1971; and Rodney Hunn, 1972.

The selection committee was composed of three members each from Leonard Jacks' Sportsmen Club and President Wilbur Brown's Kutania Club, plus one member-at-large. Eddie Wilson was dinner chairman.

EDWARD TELLER CENTER FOR THE ADVANCEMENT OF SCIENCE, TECHNOLOGY, AND POLITICS

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. HANNA. Mr. Speaker, I wish to bring to the attention of my colleagues a recent development in relating technological advancements to human needs. The University of Colorado will be the site of the Edward Teller Center for the Advancement of Science, Technology, and Politics. The center honors Dr. Edward Teller, noted nuclear physicist and director of the University of California's Lawrence Radiation Laboratory. The center was initiated and made possible by a substantial gift from Mr. Arthur Spitzer, a Los Angeles businessman and philanthropist. The center will be fi-

nanced primarily by private sources. Edward Rozek, professor of political science at the University of Colorado, will be director of the Teller Center. The advisory board will be composed of Dr. J. R. Maxfield, Jr., Astronaut Walter Cunningham, Prof. Edward Rozek, Arthur Spitzer, and Gen. John Allison.

The main purposes of the center are to: First, organize summer programs in science, technology, and politics for high school and college teachers, school administrators, graduate students, and members of the media; second, conduct research in the fields of science, technology, and human welfare and to publish the results; third, organize annual conferences on various aspects of science, technology, and politics, and the relationship of these to human needs and aspirations.

Mr. Spitzer said his commitment to a project like the center was motivated by his regard for Dr. Edward Teller. Mr. Spitzer believes that Dr. Teller's scientific contributions, philosophy, and political realism have not adequately developed or expounded, and he hopes that the Teller Center will fulfill this need.

Mr. Spitzer, in commenting on the Teller Center, said:

Today you cannot separate applied sciences from politics, or science and politics from economy. It is science, politics and economy that shape and fulfill human needs. I hope that the Edward Teller Center will be a human breeding reactor where it will be possible to teach and shape for a strong and positive American way. It will be an important contributor to this country's future and the future of the world at large.

Mr. Speaker, I commend the efforts of Mr. Spitzer and the others involved with the Teller Center. It will provide a worthwhile and important forum for the blending of scientific and technological research and development with the social and economic needs of America. The contributions of such a combination would be of enormous value in the development of an improved way of life for Americans. I wish the Teller Center unbounded success in its endeavors.

VOCATIONAL REHABILITATION LEGISLATION

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ESCH. Mr. Speaker, it is high time we take the concerns of the handicapped out of partisan political crossfire. It is time that we realize that whether or not the President's veto is overridden or sustained—a cooperative agreement must be reached if we are to achieve our goals for the handicapped in this country. Therefore, it is essential that legislation be designed to allow the President to effectively run the program.

For this reason, I am today introducing new vocational rehabilitation legislation designed to upgrade and continue current vocational rehabilitation pro-

grams for the handicapped, but at a cost far less than the vetoed legislation.

My bill authorizes beginning with fiscal year 1974 a 3-year appropriation of \$2.6 billion, with \$800 million for fiscal year 1974; \$850 million for fiscal year 1975; and \$920 million for fiscal year 1976. In addition, language has been added authorizing funds for the remainder of fiscal year 1973 at the level of the administration's original budget request.

I believe that this is a funding level which can be easily worked into a reduced level of Federal expenditures, while at the same time providing for strengthened vocational rehabilitation programs, particularly in the area of research and training.

Substantively, my bill includes most all the provisions of title I of the vetoed bill, expanding the Federal-State grants program and establishing regional offices to assist the States and other groups in establishing rehabilitation programs. Title II of the vetoed bill is taken out, but it has been replaced by a special section "Studies of the Needs of the Severely Handicapped" in the new title II paragraph.

Title II also authorizes other special Federal responsibilities, but decategorizes much of the vetoed bill. As a result my bill does not discriminate among any handicapped group. It is my firm belief that the strength of my legislation is in this flexibility.

With minor changes, with the exception of title VII of the vetoed bill, the rest remains the same. In section VII, the bill further decategorizes the vetoed bill.

This bill emphasizes my strong commitment to the handicapped and to vocational rehabilitation programs across the country. It recognizes the fact that an improved program must be offered that the administration will not refuse to effectively administer. To summarize, my bill can serve as the vehicle for expanded and improved services to the Nation's disabled. I trust my colleagues will recognize the pressing need for enacting this legislation.

I am enclosing for the RECORD a fact sheet on my bill:

FACT SHEET ON THE ESCH-ERLENBORN BILL

Title I: Establishes basic federal-state grants for upgrading and expansion of state services to the handicapped. Calls for state plans and sets up regional offices to advise and assist states and other groups involved in programs to aid the handicapped.

Title II (Vetoed Bill): Title II in HR 17 and 57 is taken out. However, it is replaced by the addition of Section 204 which authorizes the Secretary of HEW to conduct experimental programs for, and study on the needs of the severely and minimally retrainable handicapped who are not presently eligible for services provided under the Act.

Title II (Esch Bill): Establishes special federal responsibilities in construction, vocational training, and in addition to Section 204, other special projects and demonstrations.

Title III: Grants for research and training.

Title IV: Administration and project evaluation.

Title V: Office of the Handicapped to advise, provide information and complete research data.

BUDGET AUTHORIZATION

[In millions of dollars]

	Fiscal year			
	1974 budget	1974 Esch	1975 Esch	1976 Esch
Title I:				
Basic Federal-State.....	610.0	660.0	660.0	710.0
Innov.....	30.0	50.0	60.0	70.0
Title II:				
Construction.....	.5	.5	.5	.5
Vocational Training Service.....	8.3	10.0	15.0	20.0
Special project demonstration.....	13.7	15.0	20.0	25.0
Title III:				
Research.....	20.0	20.0	40.0	50.0
Training.....	17.0	28.0	35.0	40.0
Title IV: Evaluation and administration.....	0	1.0	1.0	1.0
Title V: Office of the Handicapped.....	0	SS	SS	SS
Total.....	700.0	799.5	846.26	921.26
Vetoed bill.....		1,169.0	1,321.00	

THE NEW FED WEARS TWO HATS—
AMERICAN AND INTERNATIONAL

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. RARICK. Mr. Speaker, the recently reported activities of the Federal Reserve Banking System during the dollar devaluation fiasco are most interesting.

Federal Reserve Board Chairman Arthur Burns has been caught wearing the hats of two financial institutions; that is, the Fed and the Committee on Interest and Dividends (CID), the Federal Reserve Bank has sold foreign money in the foreign exchange market; the Federal Reserve of New York is reportedly investing money in international institutions such as the World Bank and the International Monetary Fund, and Secretary of Treasury, George Shultz, who is also a member of CID, recently returned from Moscow where he met with the Communist Party bosses in the dual capacity of chairman of the Joint Commission for American-Soviet Commerce.

Time was when many Americans thought that American money and American gold and American credit was for the American people, not for international manipulations. The question is often asked: If our monetary programs are satisfactory, why is it that they aren't working? The only logical conclusion can be that when American financial operations are tailored to others and no longer serve Americans, something must give.

I include the related newscippings at this point:

[From the Washington Post, Mar. 11, 1973]

ARTHUR BURNS WEARING TWO HATS

(By Joseph R. Slevin)

Federal Reserve Board Chairman Arthur Burns is trying to hold down some interest rates while he nudges others higher and he is succeeding remarkably well.

It is a controversial and somewhat confusing assignment because Burns is wearing two hats.

The canny central banker is nudging rates upward in his role as chairman of the Federal Reserve, the American-style central bank that regulates money and credit.

He is holding other rates down as the

presidentially appointed chairman of the Committee on Interest and Dividends, a potent seven-man group that includes Secretary of the Treasury George Shultz among its members.

It is a controversial operation because the main target of Burns' CID restraint efforts are the Nation's biggest commercial banks. They know the same head is inside both hats and that it belongs to the chief of an agency that has tremendous influence over their activities.

Some Federal Reserve purists fear, too, that the central bank's independence is being compromised by Burns' willingness to run a presidential committee. When the CID moves to check an interest rate rise, Burns speaks for the CID. Many people mistakenly think it is the Fed and not the CID that is acting.

But Burns sees no conflict and he has been emphasizing the point recently in Congressional testimony and in talking with visitors.

He accepted the CID chairmanship 16 months ago in the conviction that the best way to keep White House politicians from interfering with Federal Reserve monetary operations was to make certain no administration official would become CID chairman and muscle into the Fed's credit policy domain.

Burns had tangled repeatedly with John Connally, who then was secretary of the treasury. He feared President Nixon would name Connally to the CID chairmanship if he turned it down and that the hard-driving Texan would be more concerned about short-run political objectives than longer range economic and monetary policy goals.

One of the first moves Burns made in the CID was to get an agreement that the group would try to influence administered, institutional interest rates but would not interfere with free market rates. That decision was the key to the success Burns has had in curbing administered rates while raising others.

Market rates must move freely if the Federal Reserve is to control the growth of money and credit and the CID has kept its hands off the money markets.

One of its main targets has been the highly visible prime rate that banks nominally charge for loans to their best corporate customers. Burns, in his CID hat, recently forced four major banks to rescind a boost to 6¼ per cent from 6 per cent. The CID subsequently allowed the increase but only after Philadelphia's Girard Bank had satisfied the group that cost increases justified a higher prime rate.

Other major CID-administered rate targets are mortgage interest charges and various consumer credit, small business and agricultural loan rates. In endorsing the Girard's prime rate boost, two weeks ago, the CID said it wants to see "special moderation" in these charges.

The prime rate has climbed from a low of 4½ per cent early last year to 6¼ per cent at present. Mortgage and consumer loan rates have changed hardly at all over the same period.

But the federal funds rate, the highly sensitive market rate that the Federal Reserve gears its operations to, has jumped from 3¼ per cent to more than 7 per cent during the same period. It has moved steadily higher along with commercial paper, bankers acceptance and other market rates as Burns and the Federal Reserve have tightened their credit faucet in an increasingly stern attempt to prevent an inflationary monetary explosion.

[From the Washington Post, Mar. 6, 1973]

OVERSEAS ASSETS HELD BY FED GAIN

The amount of assets held by the New York Federal Reserve Bank for foreign and international accounts rose \$10.1 billion last

year—the amount of the official deficit in the nation's balance of payments.

Most of the growth occurred in holdings of U.S. government securities, which rose \$8.1 billion to \$58.2 billion. Of the total \$10.1 billion increase, \$8.7 billion represented increased holdings by foreign central banks and governments, with the remaining \$1.4 billion for international institutions such as the World Bank and International Monetary Fund.

The total amount of assets managed by the New York Fed for foreign accounts stood at \$78.3 billion at the end of 1972. In 1971, when the U.S. balance of payments on an official settlements basis was \$29.8 billion, the amount of foreign assets held by the New York Fed rose \$29.9 billion.

Foreign central banks and governments who buy dollars to support the currency in their exchange markets usually prefer to invest those dollars in interest-bearing U.S. securities rather than let them lay dormant. Until the President closed the gold window in August 1971, these nations could also have traded the dollars in for gold, but because of the small U.S. gold reserves most refrained from doing so in the late 1960s.

U.S. gold reserves total about \$12 billion after the latest devaluation.

[From the Washington Post, Mar. 12, 1973]

FED SOLD \$318.6 MILLION IN MARKS

NEW YORK, March 11.—The federal Reserve Bank of New York sold \$318.6 million worth of West German marks in the foreign exchange market during January and February in response to developments in the international monetary crisis, a bank official reported today.

Charles A. Coombs, senior vice president of the New York bank and special manager of the system's open market account, said the New York Fed intervened for the first time Jan. 24 with efforts to slow the rise in the mark rate and maintain an orderly market.

It also sold \$20.4 million of Dutch guilders in early February when the guilder began rising in foreign exchange dealings, Coombs said.

His comments were made in a semiannual report on U.S. Treasury and Federal Reserve foreign exchange operations, which appears in the New York Fed's March monthly review. The New York Fed handles all foreign exchange operations for the two federal bodies.

A spokesman said the dollar values reported for the sales of the foreign currencies represented the total amount received in the series of transactions, which took place at varying exchange rates as currencies rose and fell.

Coombs said that of the marks sold in a cooperative effort with West German authorities, \$104.6 million were acquired in a swap drawing on the West German Federal Bank (Bundesbank); \$167.4 million were covered by Federal Reserves balances and \$46.6 million by Treasury balances.

The drawing on the Bundes bank was repaid soon after the Feb. 12 devaluation of the dollar, the report showed.

[From the Washington Post, Mar. 26, 1973]

BALANCE OF TRADE DEFICIT WORSENS

(By James L. Rowe, Jr.)

Although exports passed the \$5 billion mark last month for the first time, the nation's balance of trade deficit worsened for the first time since November.

The Commerce Department reported yesterday that on a seasonally adjusted basis, imports exceeded exports by \$476.2 million in February compared with \$303.8 million in January.

It was not clear how much the 10 per cent dollar devaluation of Feb. 12 affected

the import-export figures. Although the trade statistics are adjusted for seasonal variation, they are not adjusted for price changes.

While the long-run purpose of the dollar devaluation was to enhance the nation's competitiveness in the international marketplace by making U.S. goods relatively cheaper and imported products more expensive, most economists agree that the initial effect is "perverse." Because imports and exports do not change overnight, a devaluation's first effect is to worsen the balance of trade statistics by increasing the cost of imported goods.

The Commerce Department said that February's exports totaled \$5.065 billion, up from January's \$4.977 billion. Imports climbed to \$5.541 billion from \$5.281 billion. In 1972, the nation's trade deficit exceeded \$5 billion, by far the largest in the nation's history. The country ran its first trade deficit this century in 1971.

The department said that, for the four-month period from November through February, exports averaged \$4.769 billion a month 14 per cent above the previous four months which averaged \$4.187 billion.

Imports, meanwhile, averaged \$5.240 billion for the four months ended in February, 12 per cent higher than the \$4.658 billion during the preceding four months.

In February, 1972, the trade deficit was \$649.1 million on exports of \$3.824 billion and imports of \$4.473 billion.

[From the Washington Star and Daily News, Mar. 20, 1973]

SHULTZ IN MOSCOW

Between immersions in monetary negotiations with Western Europe, Treasury Secretary Shultz went to Moscow in his new capacity as our chairman on the joint commission for American-Soviet commerce. His three days of talks, capped by a session with Communist party chief Brezhnev, were followed by the predictable report of "constructive" exchanges and optimism about solving difficulties standing in the way of large-scale trade.

One of Shultz's jobs was explaining to the Kremlin leaders the main obstacle to implementing last year's comprehensive trade agreement with the Soviet Union. This is the move by a decisive bloc of congressmen to deny most-favored-nation status to the Soviets, under which Russian goods imported into this country would receive low-tariff treatment. The congressional opposition is aimed at pressuring Moscow into dropping the exorbitant exit fees it has put in the path of educated citizens trying to emigrate. The tax is seen as aimed at unhappy Soviet Jews who want to move to Israel.

Shultz assured the Russians of President Nixon's determination to clear the congressional hurdle to putting the trade agreement into effect. We hope this reported determination is matched soon by indications of how the administration plans to work its will on Congress in the matter, especially in the light of Mr. Nixon's all-out war with the legislators on a variety of other issues.

The congressmen should succumb to the logic of the situation, and the overriding interest of the United States in East-West détente, of which normal trade relations form a part.

The Communist practice of denying citizens the right of emigration is properly deplored by free men everywhere. But it would be inconceivable for the Russian leaders to accede openly to a specific condition laid down by American congressmen on what the Kremlin regards as an internal matter. A totalitarian regime concerned about restiveness in segments of its own and satellite populations dares not display such weakness. The Soviet leadership, on the other hand, has shown sensitivity to world opinion on the subject, and has eased restrictions on emigration to Israel. If America's good offices

can encourage a liberalization of Kremlin policy, it will be through quiet diplomacy rather than congressional oratory.

Mr. Nixon and his operatives apparently are getting along well with the Soviets on the question of mutually beneficial, peace-insuring trade. At the moment the more urgent missionary work remains to be done on Capitol Hill.

[From the U.S. News & World Report, Mar. 26, 1973]

SINCE MID-1971—DOWN, DOWN GOES THE DOLLAR'S VALUE ABROAD

Since May, 1971, a series of actions here and abroad—including devaluations of the dollar and removal of support of the dollar by some foreign governments—has sent the value of the U.S. currency tumbling all over the world—

AMOUNT OF FOREIGN CURRENCY EQUALING \$1

	In mid-1971	Latest (Mar. 16)	Change in dollar's value (percent)
Australian dollars.....	0.885	0.694	Down 21.6
Austrian schillings.....	24.9	20.2	Down 18.9
Belgian francs ¹	49.6	38.2	Down 23.0
British pence.....	41.3	40.5	Down 1.9
Canadian dollars.....	1.01	0.996	Down 1.4
Dutch guilders.....	3.46	2.87	Down 17.1
French francs ¹	5.51	4.48	Down 18.7
Italian lire ¹	620	575	Down 7.3
Japanese yen.....	357	258	Down 27.7
Spanish pesetas.....	69.4	54.1	Down 22.0
Swedish kronor.....	5.16	4.41	Down 14.5
Swiss francs.....	4.06	3.24	Down 20.2
West German marks.....	3.64	2.82	Down 22.5

¹ Rate used in capital transactions.
Source: First National City Bank, New York.

NO GREATER LOVE

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. GOLDWATER. Mr. Speaker, in the March 31, 1973, issue of Human Events, there is an article by Andrew C. Seamans about an organization called America's Sport Stars for the POW's—MIA's, encompassed in a group called No Greater Love. This is a moving tribute to a dedicated group who have tried to provide the children of our POW's and MIA's with activities that their fathers would have provided had they been here. We are all deeply grateful that our men are being returned to us, but many men might not be coming home—our MIA's—and No Greater Love has more work to do still. I commend this article to my colleague's attention:

"NO GREATER LOVE"—SPORTS STARS LEND HAND TO CHILDREN OF POW'S—MIA'S
(By Andrew C. Seamans)

The return of U.S. servicemen and civilians from Vietnamese prisons and tiger cages has had tremendous impact on the American public. Patriotism, all but buried in recent years by left-wing activists and their assorted teams of cheerleaders, has been revived with unabashed statements of love for God and homeland by the ex-POW's (see Human Events, Feb. 24, 1973, page 3).

In return, the public has poured out praise for the returnees and their families to such extent that some of the ex-POW's loved ones have had to beg respite from overzealous, albeit sincere, well-wishers.

The men have been greeted at every stop on the road home with banners, flowers, gifts, cheers and welcoming kisses from young women. The feeling has been mutual. The men have shown profound, unashamed love for the nation and the people, especially the youth of America.

A common strain of concern for young Americans has come through loud and clear in most of the ex-POW's statements since the repatriations began in mid-February. In fact, three of the men from the first historic freedom flight visited Virgil I. Grissom Elementary School at Clark Air Force Base the day after they reached the Philippines.

Navy Capt. Jeremiah Denton, the first man off the plane from Hanoi, Air Force Capt. John Borling and Army Master Sgt. William A. Robinson went to the school to thank some 600 fourth-graders on behalf of the other ex-prisoners for Valentines, posters, welcome home signs and crayoned place mats the children had sent to greet the men at the hospital.

Denton, whose "God bless America" statement at planeside electrified the patriotism-starved nation and at the same time raised the hackles on liberal news writers, told the students: "We thought it was wonderful the other day [the airfield welcome], but I know John and Bill are as overwhelmed as I am for being here with little America today."

As the father of seven children, Denton knows what the youngsters mean to a returning serviceman. And for the ex-POW's children we can but imagine what it must be like finally having their fathers back after all these years.

But what of the thousands of youths whose fathers will not be coming home on the freedom planes? What of the families of the men listed as MIA—missing in action?

Over 1,300 Americans are unaccounted for. Their families still wait in painful vigil with nothing but dim hope of reconciliation. The stark reality is that most of them will never learn the fate of their men.

While this situation will be extremely difficult for wives, parents, brothers and sisters of the MIAs, it will be even worse for the children, those Capt. Denton lovingly calls "Little America."

MIAs' wives will, as have the POW's spouses, try valiantly to fill the void in these young lives that can only be filled by a father. Women's liberation to the contrary, most mothers are not capable of helping a youngster learn to bat a ball, steal a base, throw a pass or hook a worm.

Although no Big Brother organization exists for the MIAs' children, there is a group that comes close: No Greater Love.

No Greater Love began two years ago as an effort, conceived by a young White House staffer, Carmella LaSpada, to try to do something to ease the plight of the POWs and the MIAs.

Acting on her own, Carmella took a leave of absence without pay in April 1971 to organize America's Sports Stars for the POWs—MIAs.

Miss LaSpada won the support of four prominent athletes to get the idea started: then-Baltimore Colts quarterback Johnny Unitas, who since the beginning has performed yeoman service for No Greater Love, Baltimore Orioles third-baseman Brooks Robinson, Hall of Famer Ted Williams and Olympic swim champ Don Schollander. One of the athletes' first acts was to sign a letter to North Vietnamese Prime Minister Pham Van Dong asking permission to visit Hanoi as private citizens to discuss the POW's welfare. Naturally, this request and subsequent letters to the North Vietnamese athletes' association were ignored.

Foiled abroad, the sport stars' efforts were soon turned toward the United States as a result of a chance occurrence when some of the missing servicemen's children wrote to Unitas and Robinson to thank the men for

what they had done. Miss LaSpada and the athletes saw an opportunity to ease the loneliness of the youngsters.

With the aid of the National League of Families of Prisoners of War and Missing in Action, letters were sent to mothers of the POW-MIA's children, describing the organization and asking those who wished to participate to list their children's names and their favorite athletic teams or athletes.

By November 1971 over 600 names had been gathered. Without a budget and with only a handful of volunteers, Miss LaSpada began the task of contacting the kids' idols and favorite teams as a special Christmas project.

Within a few weeks the sports world had responded with autographed photos, posters, pennants and a wide assortment of other gifts. Still the volunteers faced the Herculean chore of wrapping and mailing the packages before Christmas, but they made it on time.

Since that initial project, the outpouring from U.S. athletes for these children has been phenomenal. Miss LaSpada said: "Not one athlete has ever turned down a request from No Greater Love."

Some examples of the response: The Houston Oilers and Philadelphia Eagles gave official National League footballs. Sports Illustrated magazine sent baseball and football games.

Unitas personally autographed over 100 photos with Brooks Robinson signing almost that many. Other stars sent out letters and photos, including Henry Aaron, Arthur Ashe, Wilt Chamberlain, Joe Frazier, Rod Gilbert, Billy Kidd, Al Kaline, Jerry Lucas, Bobby Mercer, Joe Namath, Arnold Palmer, Bart Starr, Roger Staubach, Ron Swoboda, Jerry West and Ted Williams. Some stars even telephoned youngsters.

Rep. Jack Kemp (R.-N.Y.), a former Buffalo Bills quarterback, also joined in the effort.

Even former heavyweight champion Muhammad Ali, who fought against the draft in courts, chipped in by sending one child a watch.

The program has quite naturally resulted in some humorous and touching sidelights.

One youngster, who couldn't pinpoint a favorite athlete, chose the entire Cincinnati Bengals football team. He and his brother received individual photos from each Bengal player. In a letter to the team, the lad thanked the players, adding the postscript: "P.S. My mother didn't make me write this."

The Chicago Bears received the following poignant message from a young girl: "My daddy used to watch your team on TV and I did too. I was waiting for my daddy to come home from Vietnam, but I still watch your games."

Last year No Greater Love stepped up its efforts and added entertainers to its ranks. Brant Parker, cartoonist of the "Wizard of Id" comic strip, designed a special birthday card to be sent to each of the children on his or her birthday. With these distinctive cards went autographed photos of Dallas Cowboys quarterback Roger Staubach, an Annapolis graduate, and such stars as Flip Wilson and Carol Burnett.

Last Christmas the list of participating "Little Americans" had passed the 1,000 mark. Again the teams, the athletes and the show business people came through. Baseball teams sent autographed baseballs. The Philadelphia Phillies, in fact, with pitching star Steve Carlton in the vanguard, sent grab bags filled with baseballs, T-shirts, batting helmets and other gifts. Singer Bobby Sherman joined in with photos and record albums.

Washington area POW-MIA children were the guests of the Washington Redskins with a king-size Santa Claus, played by defensive end Ron McDole. Some of the Baltimore Colts visited with a group of area POW-MIA offspring in the home of one of the mothers.

With the Vietnam cease-fire, many people

might assume that No Greater Love is finished with its humanitarian effort. Not so. In fact, the program will have to be stepped up more than ever.

"People say the war is over," said Miss LaSpada. "They fail to realize that 1,300 fathers are still missing. We cannot forget these children. Actually, we want to expand the program to remember all children whose fathers were lost in Vietnam."

Expanding the program, though, is going to cost money. Unitas said: "We can't let these children down. It's going to take at least \$100,000 to expand the program and keep it going."

That the program has been able to continue as it has for the past two years is due largely to the efforts of a nucleus of key athletes and Miss LaSpada, who has used up her life savings to keep going without a pay check. Without an increase in contributions, however, No Greater Love may be forced to fade from existence. But anyone who knows Miss LaSpada doubts she will let this happen.

In fact, progress towards an accelerated fund drive has already been made. The Boston Globe has offered its help in publicizing the tax-exempt program, as has Washington's WMAL radio-TV station. Others are also expected to join in.

Mrs. Carolyn Cushman, whose husband Air Force Maj. Clifton Cushman has been missing since September 1966, summed up what No Greater Love has done for their seven-year-old son, Colin.

"Most boys are introduced to football by their fathers," said Mrs. Cushman "Colin hasn't been able to do this. But through the program he was introduced to football in a unique way. It's really enriched his life."

Colin recently announced that, as a result of getting signed photos from Staubach and Unitas, he intends to become an NFL football star when he grows up.

While not all of the children will grow up to be professional athletes, the program has had a positive psychological effect for the young people. They cannot boast, as their schoolmates do, of the things they do with their fathers on weekends and after school or about plans for Father's Day. By bringing in photos of personalities in the sports or entertainment field with a personalized signature, the MIA children are able to show they too are special in their own way. Many mothers have said this helps to some extent.

No Greater Love has also helped enrich the lives of those on the giving end. Former heavyweight champ Joe Frazier is an outspoken proponent of No Greater Love:

"I got five of my own [children], so I know what it means to have me around. I'm not home that often, but when I am it's like the star on a crown. With these kids, it's a thrill to know somebody cares for them."

One of the major drives among the anti-war activists since the POWs have begun to re-enter the country has been for amnesty for the draft-dodgers and military deserters. Army Special Forces Maj. James N. Rowe, who escaped from the Vietcong in 1968, said: "Amnesty cannot be considered until all missing in action are accounted for."

In essence, Rowe, who recounted his captivity in his book *Five Years to Freedom*, was saying there can never be an amnesty for the runaways, for the missing in action will never be fully accounted for.

Rather than worrying about amnesty for those who refused to serve the nation, it would be far better to turn our attention towards those who are left behind—the "Little Americans."

No Greater Love cannot rely on only famous sports or entertainment figures for the money to guarantee the program's continued existence. They must turn to the public.

Georgetown University in the Nation's Capital has given a special post office box to No Greater Love (P.O. Box 968, Hoya Station, Washington, D.C. 20007) Georgetown stu-

dents, led by 19-year-old Charles Fazio, have volunteered to help answer the mail. Here's hoping these young people are kept busy.

NIXON ADMINISTRATION'S BRAIN-WASHING ATTEMPT TO REWRITE HISTORY OF SO-CALLED EXECUTIVE PRIVILEGE

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, in recent weeks we have seen a blatant attempt by the administration to brainwash the public in the issue of so-called executive privilege. A Presidential statement issued March 12 vainly tries to make the "privilege" some sort of constitutional doctrine by rewriting history to claim that it dates back to President Washington's administration. This is a clearly demonstrated falsehood. It was totally disproven in testimony last year before the Foreign Operations and Government Information Subcommittee by Prof. Raoul Berger, the Charles Warren senior fellow at Harvard Law School, and the Nation's leading expert on the subject.

As shown in the recent study of "executive privilege," prepared for our subcommittee by the Congressional Research Service, Library of Congress, the claim of such dubious "privilege" dates back only to May 17, 1954—hardly any deep-rooted constitutional doctrine—RECORD, March 28, 1973, page 10078.

An excellent article by Mr. George Lardner, Jr., which discusses the historical fraud of so-called executive privilege, appeared in the Washington Post of March 25, 1973. I commend this thorough review of the history of this important subject to our colleagues and ask that the article be printed at this point in the RECORD:

[From the Washington Post, Mar. 25, 1973]

ONCE DOUBTFUL EXECUTIVE PRIVILEGE
EXPANDED IN SCOPE

(By George Lardner, Jr.)

For decades now, U.S. Presidents and their Attorneys General have been sprinkling holy water of constitutional authority on the doctrine of "executive privilege."

President Nixon expanded on the tradition of high-level secrecy this month with a formal statement declaring, as have his predecessors, that it all began with George Washington.

According to the nation's leading legal scholar on the subject, however, "we've been brainwashed." And, says Raoul Berger, the Charles Warren senior fellow at Harvard Law School, "history is being manufactured under our noses."

Faced with growing congressional demands for the testimony of White House aides about the Watergate conspiracy and the investigations stemming from it, Mr. Nixon extended the cover of confidentiality March 12 to all members of his personal staff, both past and present.

"The doctrine of executive privilege," he said, "is well established. It was first invoked by President Washington and it has been recognized and utilized by our Presidents for almost 200 years since that time. The doctrine is rooted in the Constitution . . ."

The fact is that George Washington never "invoked" the privilege at all.

JEFFERSON'S NOTES

The controversy dates back to March of 1792 when the House of Representatives ordered what appears to be the first congressional investigation of conduct within the executive branch. Alarmed by the defeat of Gen. Anthony St. Clair at the hands of some stubborn American Indians, the House assigned a select committee to look into the debacle and to "call for such persons, papers and records as may be necessary to assist their inquiries."

The committee, in turn, asked the Secretary of War for documents on the St. Clair expedition, a step that prompted Washington to call a meeting of his Cabinet, apparently to make sure that no untoward precedents were set.

The first session was inconclusive. Washington told his Cabinet he never "even doubted the propriety of what the House was doing," but, according to the informal notes of Secretary of State Thomas Jefferson, which surfaced years later, the President said he "could readily conceive there might be papers of so secret a nature that they ought not to be given up."

Coming back for a second meeting, Washington and his Cabinet then agreed that the "House was an inquest" and "might call for papers generally." They also felt, Jefferson recorded that "the Executive ought to communicate such papers as the public good would permit and ought to refuse those the disclosure of which would injure the public. Consequently were (sic) to exercise a discretion." But finally, "it was agreed in this case that there was not a paper which might not properly be produced."

Congress, however, was evidently never notified of the mental reservations involved. Instead, Washington simply instructed the Secretary of War on April 4, 1792, to hand over to the House "such papers from your Department as are requested by the enclosed resolution." According to one of Washington's biographers, "not even the ugliest line on the flight of the beaten troops was eliminated."

JAY TREATY

Despite all that, in a lengthy 1957-1958 series of memos that has come to be the modern-day bible for advocates of executive privilege, then Deputy Attorney General William P. Rogers cited the St. Clair episode as the first example of "refusals by our Presidents, and their heads of departments, to furnish information and papers."

By that same bible, Washington is also supposed to have invoked executive privilege in 1796 when he refused a demand by the House for correspondence, documents and instructions sent to John Jay in connection with a controversial treaty with England. But in rejecting the House resolution, Washington held only that the papers were not pertinent "to any purpose under the cognizance of the House."

The first President indicated that the House, in his view, would have had a right to the papers if it had passed a resolution on "an impeachment," but it had not. Only the Senate, the first President said, shared in the treaty-making power set out in the Constitution. And the Senate, he observed, had already been sent "all the papers affecting the negotiations."

Out of such quicksand, Berger and other critics of executive privilege protest, has the practice of withholding information from Congress and the courts been enshrined.

At most, the University of Chicago's Alan C. Swan told a Senate subcommittee in 1971, the so-called precedents from the early days of American history reflect "ambiguous action accompanied by brave words in which Congress never acquiesced."

M'CARTHY ERA

But if Congress has never acquiesced, neither has it ever forced a showdown. From the first to the 93d, no Congress has ever resorted to the courts to challenge a President's asserted right to keep it in the dark, nor has any Congress clapped any White House aides in the Capitol guardroom to stand prosecution. As Sen. Sam J. Ervin Jr. (D-N.C.) observed in an interview last week, the steady buildup of presidential power has been made easy, partly out of congressional laziness, partly out of congressional default.

"As somebody said," Ervin declared of Congress's shrinking role, "It's not altogether homicide. Some of it's suicide."

The modern-day exaltation of executive privilege, by the same token, was largely a response to the rampant investigations during the 1950s of the late Sen. Joseph McCarthy (R-Wis.).

It was not until then, says Sen. Charles McC. Mathias (R-Md.) that executive privilege was raised to "the level of an absolute unqualified power" that could be exercised not only by the President himself, but by subordinate officials who then began applying it "to almost any kind of information."

By 1957, as a consequence, Deputy Attorney General Rogers, now Mr. Nixon's Secretary of State, was unabashedly claiming "an uncontrolled discretion" for both the President and executive department heads "to withhold information and papers" from Congress "in the public interest."

Berger blames the Rogers memo—much of which Berger says was lifted word for word from the 1949 writings of "a lowly subordinate" in the Justice Department—for much of the mischief. The document, he protests, is loaded with "the most amazing contradictions and inconsistencies."

AIDE TESTIFIED

Among them, Berger has pointed out, is a claim on one page that "the courts have uniformly upheld" the uncontrolled-discretion claim and an admission on another that "the legal problems which are involved were never presented to the courts."

At still another point, Rogers acknowledged the existence of a 1789 law making it the "duty" of the Secretary of the Treasury to "give information to either branch of the legislature . . . respecting all matters referred to him by the Senate or House. . . ." The law, however, was evidently overlooked on another page where, the memo asserted, "Congress cannot, under the Constitution, compel heads of departments to give up papers and information, regardless of the public interest involved."

Despite the demolition work Berger aimed at the memo in a detailed 1965 study for the UCLA Law Review, the Harvard scholar said Friday, "It's still the bible," even for many in Congress. "It's pathetic how little they know."

As far as the Nixon administration is concerned in the field of executive privilege, the President began his first term by assuring the House Government Information Subcommittee that the privilege would not be asserted "without specific presidential approval" and issuing instructions throughout the executive branch to that effect.

But as Ervin, among others, has protested, this failed to stop the Pentagon, for example, from summarily denying Congress information on grounds like these: "Inappropriate to authorize release of these documents" (former Secretary of Defense Melvin Laird), and, "No useful purpose would be served by a public report on these materials" (Defense Department general counsel J. Fred Buzhardt).

On a White House level, counsel to the President John W. Dean III in a letter assured the Federation of American Scientists last year, in response to an FAS newsletter on the issue, that "the precedents in-

dicating that no recent President has ever claimed a 'blanket immunity' that would prevent his assistants from testifying before the Congress on any subject."

NIXON DECLINES

The letter was dated April 20, 1972, two days after the White House agreed to let presidential aide Peter Flanagan testify on limited aspects of the ITT controversy then standing in the way of Richard Kleindienst's confirmation as Attorney General.

This month, however, in the wake of congressional pressures for Dean's own testimony on the Watergate investigations, Mr. Nixon declared: "A member or former member of the President's staff shall follow the well-established precedent and decline a request for a formal appearance before a committee of the Congress."

The President said he would be willing to provide "all necessary and relevant information" in response to congressional inquiries but only through "informal contacts" that would give the White House the final say on what would be made available and what would be withheld.

"Under the doctrine of separation of powers, the manner in which the President personally exercises his assigned executive powers is not subject to questioning by another branch of government," Mr. Nixon asserted. "If the President is not subject to such questioning, it is equally appropriate that members of his staff not be so questioned, for their roles are in effect an extension of the presidency."

Court rulings on that score are not unanimous. In the famous case of *Marbury vs. Madison*, Chief Justice John Marshall recognized that certain Cabinet communications were privileged from any outside inquiry. He later said that "the principle decided (in that case) was communications from the President to the Secretary of State could not be extorted from him."

But Marshall, who presided at the treason trial of Aaron Burr, also saw fit, in 1807, to issue a subpoena duces tecum (to produce documents) to one Thomas Jefferson, then President of the United States. "If, in any court of the United States, it has ever been decided that a subpoena cannot issue to the President," Marshall held, "that decision is unknown to this court."

PRODUCED LETTER

Jefferson claimed that state secrets might be involved in some of the papers sought, but he did not claim immunity from subpoena, even offering to submit to a deposition.

In any event, Berger states, "he fully complied with the subpoena," forwarding a copy of the letter Burr wanted to the government prosecutor in Richmond. The prosecutor excised certain portions, but offered the entire letter to Justice Marshall so that the court—not the executive branch—could decide what should be suppressed.

The Rogers memo on executive privilege tries to dismiss that case as an aberration. But John Henry Wigmore gave it a higher rating in his classic treatise on Evidence in Trials at Common Law, an authority often cited by the Supreme Court. Quoting Marshall's ruling in the Burr case at length, Wigmore concluded, "there is no reason at all" to exclude the chief executive of a state from producing testimony needed to see justice done.

Wigmore allowed that a chief executive could be excused from actual attendance at a trial because of "the priority of his official duties," but he added: "It is less certain that a privilege exists for subordinate executive officials."

From his pronouncements on the issue, President Nixon is hardly likely to accept such a notion in the face of congressional subpoenas, at least not without a court test

which he has said he would "welcome." He has voiced no doubts that he would be upheld, a notion somewhat at variance with the views he expressed on the floor of the House 25 years ago as a freshman congressman from California.

The date was April 22, 1948; the occasion, a drive by the House Un-American Activities Committee for a House resolution demanding an FBI report on Dr. Edward U. Condon. A government physicist who had been associated with the development of the atomic bomb, Condon had been branded by a HUAC subcommittee as "one of the weakest links in our atomic security" despite his emphatic clearance by a loyalty review board.

President Truman responded on March 13 to the clamor for the document by issuing a directive forbidding compliance with any subpoenas or demands for FBI and other investigative reports on the loyalty of government employees.

During the next month's House debate on the Condon resolution, Mr. Nixon, a member of HUAC, took the floor with a tightly worded assault on the President's directive.

He argued that it was untenable "from a constitutional standpoint" and for a very simple reason. To let Mr. Truman maintain it against congressional investigations of alleged security risks. Rep. Nixon protested would mean that President could "arbitrarily" do the same thing in cases of corruption like "Teapot Dome."

Now, as President, Mr. Nixon has somewhat different recollections. Elaborating on his executive-privilege policy at a March 15 news conference, Mr. Nixon offered it as perfectly consistent with his views as a congressman back in the '40s.

Those were the days, he recalled, of congressional inquiries into espionage and Alger Hiss—cases. Mr. Nixon submitted, that should have had "complete cooperation" from the executive branch.

But the Watergate case, he said, was an entirely different matter. Congress, he maintained, "would have a far greater right and be on much stronger ground to ask the government to cooperate in a matter involving espionage against the government than in a matter like this, involving politics."

RESTRUCTURING OF OEO

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mrs. HECKLER of Massachusetts. Mr. Speaker, last week a fellow citizen of Massachusetts, who is employed here in Washington at least until the end of the current fiscal year, returned to the "Cradle of Liberty" to deliver a speech regarding the "restructuring" of the Office of Economic Opportunity. He defended the administration's actions wholeheartedly in Boston.

While I am in substantial disagreement with a number of his points, I believe in open forums—and if for no other reason than recognition of his courage, I insert the remarks of Howard Phillips before the Middlesex Bar Association in the RECORD:

REMARKS OF HOWARD PHILLIPS, ACTING DIRECTOR, U.S. OFFICE OF ECONOMIC OPPORTUNITY

Distinguished head table guests, I am grateful for this opportunity to come home today to Massachusetts and honored to speak before this outstanding assemblage of men and women who represent the best in the public life of our great Commonwealth. At

times like these, I am reminded of a remark attributed to Winston Churchill on a similar occasion.

As the report goes, Mr. Churchill calmly surveyed the audience and then wisely noted "if the speaker of the evening were scheduled to be hanged, the crowd would likely be twice as great." Needless to say, this speaker is grateful that you were able to assemble so large an audience without the added attraction of having my neck in a noose.

Over the past several weeks, during which I have been serving as Acting Director of the Office of Economic Opportunity, a degree of fame—or at least notoriety—has come my way.

As an unsuccessful candidate for office from Essex County in 1970, I had a very difficult time gaining any attention from the Boston newspapers and electronic media, and it was, therefore, of interest to me when a family friend conveyed to my mother her congratulations about my increased recognition factor as a result of my new job. My mother replied that, after reading the various news accounts, she didn't recognize me at all.

Despite my recent lack of success in effectively communicating the facts and in rebutting the falsehoods regarding my assignment as portrayed through the media, one of my favorite people in Washington is a newsman, David Broder, with whom I have been privileged to have an intermittent conversational acquaintance for several years. In my opinion, Mr. Broder, whose column appears locally in the Boston Globe, is one of our most perceptive and astute observers of the national scene.

You may, for example, recall that in 1968, long before the fact, he stood virtually alone among journalists in forecasting the possibility that Richard Nixon might select Spiro T. Agnew to become his Vice-Presidential runningmate.

I do not *always* agree with Dave Broder's conclusions, but I was very impressed with another column he wrote shortly after the death of Lyndon Johnson. The column appeared on January 28, one day before President Nixon sent his Fiscal Year 1974 budget message to the Congress. Written from the perspective of one who is often an Administration critic, it analyzed the impact of Richard Nixon's Presidency in a broad historical context. Let me quote:

"It is an extraordinary coincidence that has brought within the compass of these few days the inauguration of the President, the death of his predecessor, the end of the Vietnam fighting and—with tomorrow's budget message—the start of a radical redesign of the domestic policies of the past four decades."

"Both ceremony and substance are telling us: One period has ended and now another begins."

"What is ending is an era of international politics shaped by a constant threat of conflict with totalitarian powers. What is ending is an era of domestic politics formed by a fierce struggle over the allocation of government benefits to rival claimant groups."

"The chief byproduct of the era was the creation in Washington of a huge governmental structure, whose existence and activities were premised on the belief that the American government could decide, in specifics, how the world order and the domestic society should be arranged."

The thrust of Broder's article was to argue that Richard Nixon, frequently discounted and almost always underestimated by his adversaries, would likely prove to be the most significant American President in a century.

"He is not the man", Broder observed, "one would have guessed would win a landslide election victory and he is not the President one would have guessed would shape a transition of historic dimensions. But we have underestimated the role history had in mind for him."

The columnist framed his argument by symbolically comparing the funeral of Lyndon Johnson in January, 1973, with that earlier, more tragic funeral in November, 1963, of President John F. Kennedy. In the days following the Kennedy funeral, over which Lyndon Johnson presided, the White House played host to a steady stream of potentates paying respect to the memory of the fallen leader, but also paying homage to the power of the new President.

Whether leaders of great foreign nations such as Charles de Gaulle, or spokesmen for influential domestic organizations, such as, for example, Walter Reuther, the mourners and their constituencies all had at least one thing in common:

They were all clients of a powerful Federal government in Washington and were, in no small measure, dependent on the whims and good wishes of one man—the President of the United States.

And, indeed, in the Johnson era, Presidential power was carried to its ultimate reach, with no problem, at home or abroad, regarded as being beyond the authority and proper concern of the Executive Branch, as led by Mr. Johnson.

Symbolically, there was no such parade of clients through the White House on the occasion of LBJ's state funeral, roughly four years into Richard Nixon's Presidency—And this resulted from no disrespect of Lyndon Johnson.

It was, rather, a consequence and recognition of the redefinition of Federal power and reassignment of responsibility which has gone forward under Richard Nixon.

For, despite all the talk about President Nixon assuming *new* power, the ironic and incontrovertible fact is the unprecedented extent to which he is seeking to reduce the concentration of authority in the Executive Branch and return power to institutions which are not only closer to the people, but also more accountable to them.

Look at the record. The principal heritage of our first four years is the reordering which has occurred in the structure and character of international relations. The Nixon Doctrine has encouraged an end to excessive dependency on American power, while fostering a climate of stability in which self-determination is possible for all nations.

Now, in his second term, we are witnessing the implementation of a domestic Nixon Doctrine. More generally known as the New Federalism, this doctrine will, in my view, prove even more consequential in the history of human liberty than his achievements in foreign policy.

I remarked in Washington last week that Richard Nixon's life embodied the victory of substance over style—a triumph of the content of things over the ofttimes distorted appearance of things. And, mark my words, just as the view from Massachusetts has perhaps at times cast a darker "current" view of Richard Nixon's foreign policy stewardship than a retrospective analysis of his achievements would warrant, so also, will historical fact cause us, years hence, to more kindly perceive his domestic accomplishment.

Like the Nixon Doctrine overseas, at home, the New Federalism seeks to help end dependency on our government in Washington while fostering a climate of stability in which the opportunity for individual and local self-determination is enhanced.

In his 1971 State of the Union message, popularly titled as "The New American Revolution" address, President Nixon outlined to the Nation his perception of the extent to which our institutions have failed to keep pace with the changes in our society and his vision of reform which would preserve American liberty as at least as much a reality 200 years hence as it is today.

The central issue in 1776 was self-determination. The patriots of Massachusetts said: "Don't Tread On Me." Allow us to shape the course of our own lives.

That remains the issue as we approach 1976—except the focus of excess power has moved from London to Washington. Our liberty is defined by the extent to which we can shape the forces and decisions which control our lives.

Let me quote Richard Nixon:

"... history... tells us that no great movement goes in the same direction forever. Nations change, they adapt, or they slowly die. The time has now come in America to reverse the flow of power and resources from the States and communities to Washington and start power and resources flowing back... to the people all across America."

"As everything seems to have grown bigger and more complex... as the forces that shape our lives seem to have grown more distant and more impersonal, a great feeling of frustration has crept across the land. Whether it is the workingman who feels neglected, the black man who feels oppressed, or the mother concerned about her children, there has been a growing feeling that 'things are in the saddle, and ride mankind.'"

"And so let us answer them... we hear you... we are going to provide more centers of power where what you do can make a difference..." For "the idea that a bureaucratic elite in Washington knows what is best for people everywhere and that you cannot trust local government is really a contention that you cannot trust people to govern themselves."

"The people, yes!"—that is Richard Nixon's theme, and that is the thrust of the work in which I am now engaged at OEO. We are not discounting our national commitment to fight poverty. We are giving it new life.

Simply announcing a "War on Poverty" and projecting the appearance of concern, cannot substitute for the substantive success. The rhetoric of compassion may psychically energize the well-to-do who dabble in poverty, but, without results, it does little to overcome the reality of poverty for those who endure it.

Nor does Federal subsidization of poverty professionals overcome poverty, except for those on the payroll.

We are reorganizing Federal anti-poverty activities, so that decisions concerning the use of available resources, are placed in the hands of people who can be held accountable for their success or failure.

Local programs are being returned to the control of local officials, on the dual theory that is easier for people to influence local officials and for local officials to understand the people's problems. OEO service programs in such areas as aid to the elderly and health care are being integrated and coordinated to maximize their effectiveness. Research activities are being reassigned to facilitate both planning and the utilization of results.

And, although we recognize that the simple expenditure of funds has not been demonstrated to be an effective panacea, it should be pointed out that we are spending more money of direct benefit to the poor than at any previous time in American history: \$30.3 billion in the upcoming Fiscal Year 1974, as compared with only \$7.9 billion in Fiscal Year 1964.

In reassigning program responsibility, we are proceeding within the context of established statutory authority, wherein OEO is empowered, as in the past, to delegate program management to other departments and agencies. This has been done before with respect to such programs as Head Start, Rural Loans, Follow Through, and others. After June 30, when the new fiscal year will begin, the recipient departments and agencies will continue to run the programs under existing legislative authority, with funding for them to continue at equivalent or higher levels of expenditure.

There are two programs for which new legislation is being sought: community economic development, for which we hope to assign responsibility to the Office of Minority

Business Enterprise and legal services, which we expect will be housed under the aegis of a Federal corporation.

Since this audience is largely comprised by members of the legal profession and, because your Lawyers Referral Service has done so much in providing high quality legal assistance to the indigent, I would like to discuss this subject in some detail. I am further eager to do so because of the widespread misunderstandings which exist concerning the present legal services program and our views of it.

Virtually all lawyers, indeed, virtually all Americans, can be assumed to share the conviction that no one should be denied access to our system of justice, because he lacks the funds to pay an attorney. Historically, both individually and through legal aid societies, attorneys have made themselves available to render professional assistance to needy individuals.

In 1966, Congress passed a law, incorporating into the Economic Opportunity Act a Federal role in assuring the availability of legal representation for the poor.

Over the years, funding has increased from an estimated \$5.4 million, largely private, for this activity in 1965, to more than \$71 million in Federal funds alone, this year.

During that time period, while the statute remained unchanged, and while the popular perception of the legal services program remained largely constant, the program grew in size. Yet more significantly, to a large extent by administrative regulation and grant authority, it went through some fairly important changes in character.

Today your Federal government directly subsidizes more than 250 projects with about 850 neighborhood offices across the country. There are national training programs and publications, recruitment programs and professional organizations, which at least indirectly are underwritten by the government. Employing in excess of 2200 lawyers, these programs, in many cases, do not merely represent clients. They have been encouraged by OEO to organize groups, publish newsletters, assist lobbying activities, and otherwise engage in advocacy on issues of public policy in ways which do not arise out of the representation of specific clients.

Some special programs have been organized around particular causes and issues such as busing, juvenile law, welfare rights, student rights, abortion, prisoners rights, and draft counseling, to mention only a few.

As the programs have come to rely on OEO officials in Washington for direction, as well as for funding, legal services has in many cases been less accountable to professional standards, as interpreted by the local bar, than was seemingly expected when the statute was drawn, and more accountable to what are essentially political standards, as defined by the program managers.

Thus, until very recently, the official goals of the program and the standards by which evaluators have been instructed to rate programs have included the following language:

"In the area of compulsory work programs, is the program working on... litigation of constitutional questions raised by compulsory work programs?"

"Record the number of groups advised or represented by the project and the kind of advice or representation given, such as... representation/advocacy (e.g., legal counsel) during rent strike, advice to welfare demonstrators."

"Are the attorneys in the program familiar with... the leadership of the local welfare rights organization (WRO)? Does the leadership work with the lawyers?... Legal issues which should be brought to the attention of the WRO as useful for organizing or of particular concern to an organization of poor people?"

"Are the program attorneys... assisting in the formation and development of local tenant organizations and tenant unions, in

order that the people may help improve their housing situations?"

It is imperative that the program be reformed in such a manner that state and local bar associations have a greater voice in assuring the maintenance of high professional standards—and it is imperative that funds intended to aid the poor not be diverted into political channels.

Law reform which grows out of the needs of a client is praiseworthy; but law reform which grows out of the non-client related agenda of an attorney is another matter. What causes me, and others concern about this kind of law reform is that it aims at an essentially political result but expressly avoids the political process.

In saying these things, we do not deny the tremendous good which has been achieved through the legal services program, nor should the abuses of some be loosely expanded to characterize the conduct of all. Our concern is that public debate focus on the concepts which will govern the program, rather than on individual problems which may arise as the result of broad policies.

Thus, it is not correct to maintain that we oppose class actions or suits against the government or that we condone interference in properly established lawyer-client relationships. We do question exclusive reliance on a staff attorney system which allows priorities on the use of time to be established, less on the basis of client needs than attorney preference.

Similarly, we reject that notion of legal services which defines poverty as a political, rather than an economic problem, which argues that, after a certain point, it is inefficient to represent individual clients whose causes are not of concern to "poor people as a class" and which justifies the use of poverty funds to represent affluent clients because the issues are perceived as "class" issues.

We will shortly be submitting to the Congress legislation for a legal services corporation which will truly place the needs of the poor first, before the political objectives of program attorneys or elected officials. We believe it is a proposal which will stand the test of time, providing high quality legal assistance, no matter which national administration may be in power.

In this, as in all else that we do, our goal is not to enhance Federal power, but to disperse it; not to reduce the resources available to help people, but to give the people themselves greater control over their allocation.

We do not justify our social reforms on the basis of economy, although under the President's budget, tax increases will be avoided by keeping the growth of program expenditures in line with economic growth.

No the argument for the changes which are being made at OEO and across the Federal bureaucracy is that, in the final analysis, this is a people's government, whose authority and resources derive entirely from the people.

If this government is truly for the people, it must be accountable to the people. If the electoral process is to be meaningful, decisions must repose, not in the hands of bureaucrats with their own social priorities and values, but must be returned to the control of elected officials, who are periodically required to obtain popular ratification or rejection.

We agree, with the President, that we have arrived at what is surely a genuine turning point in our national history, where the way is opened to a New American Revolution:

"... a revolution as profound, as far-reaching, as exciting as the first revolution almost 200 years ago—and it can mean that... America will enter its third century as a young nation, new in spirit, with all the vigor and the freshness with which it began its first century."

BALANCING THE BUDGET AND
INCREASED COST OF LIVING

HON. DAN DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. DAN DANIEL. Mr. Speaker, while we agonize over balancing the budget, and attempt to determine how much of our increased cost of living is attributable to the export of our own commodities; while efforts are made to bring in line our balance of payments and balance of trade; and, while a troubled world waits anxiously to see when—not if, but when—the North Vietnamese will resume fighting in earnest in the south; some people choose to ignore these problems and debate at length the amount of financial assistance we shall provide to North Vietnam.

These people base the necessity for provision of aid on two assumptions, and I believe this is a proper time to examine these assumptions, for in my view neither is sound.

The first assumption is that North Vietnam is a devastated land, and this devastation is the result—directly and completely—of American bombing. It would appear to me this is the first time in history a nation has emerged from a war declaring simultaneously that it had won the war, but was totally destroyed in the process by the loser.

For nowhere have I read where any North Vietnamese spokesman declared they had lost the war. And nowhere have I read or heard of any offer on the part of that country's government to allow inspection of the devastation reportedly caused by those who are expected to pay for restoration. Rather, there is mounting evidence that North Vietnam continues—indeed, has never stopped—sending the material of war into South Vietnam.

Now, this leaves us with two possible explanations. Either North Vietnam's industrial and agricultural potential have not been destroyed, or other nations are supplying war materials being shipped into the South.

The second assumption is this. Because we provided assistance for the rebuilding of Germany, Japan, and Italy following World War II, it naturally follows we have a like obligation toward North Vietnam.

This, my friends, is hogwash.

To begin with, there is no question that extensive damage was done to those nations during that war. If the aerial reconnaissance photographs we saw had not told the complete story, the reports from our Armies of Occupation surely did.

These nations did what North Vietnam has not done. They surrendered unconditionally, no reservations, no strings attached, to a superior military force. We could, at that time and under those circumstances, afford a certain magnanimity, and it is to our everlasting credit we displayed a charitableness not shown following any other war in recorded history. Not only did we not require or demand reparations—a demand historically made of the vanquished by the vic-

tor—we set to work, investing our best talents as well as our material resources, to help these people rebuild their lands. But there were two very considerable conditions, not tied to the surrender, but implicit to rebuilding.

The people of these nations repudiated the leadership which had led them into war. And the potential for further militaristic adventure was removed. Under their postwar constitutions, none of these nations may acquire the means to become military aggressors.

Now measure the demands of North Vietnam against the earlier period, and any justification for assistance melts away.

There is another reason why we should not consider sending your tax dollars to North Vietnam—now, or ever.

Already there are some 80 billion American dollars floating around outside the continental United States. Our primary consideration should be to repatriate these obligations—for that is what dollars are—at all deliberate speed. Evidence is mounting that much of the dollar's trouble abroad results from speculation on the part of large holders, and a lack of trust in America's worth, which has been due in large part to our continued deficit spending both at home and abroad.

There is one other point that ought to be made.

When one of our officials was questioned on assistance to North Vietnam by a committee of the Senate, he declared the funds would not come from domestic programs, but rather from defense funds. As a member of the Committee on Armed Services, I intend to take a hard look at any request for money from the Department of Defense. If indeed there are funds which can be shifted and shunted about so as to provide the billions of dollars discussed for North Vietnam, then the Defense Department budget ought to be reduced by that amount, and I intend to vote for such reductions.

THE IMPOUNDMENT PROBLEM AND
SOLUTIONS

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ANDERSON of Illinois. Mr. Speaker, yesterday and today the House Rules Committee, of which I am a member, has been holding hearings in the morning and afternoon, on the subject of impoundment. The focal point of these hearings has been H.R. 5193 as introduced by the distinguished chairman of the House Committee on Appropriations, Mr. MAHON, a bill which would require that the President submit a special message to the Congress anytime he delays or withholds funds which have been appropriated; the message would be referred to the appropriations committees of each house and, if within 60 days both houses pass resolutions of disapproval, the President could not proceed with those impoundments.

It has become apparent during the course of these hearings, that there is a wide diversity of views as to what specific procedures should be adopted to limit presidential impoundment authority. Some favor the Ervin approach which would bring these messages directly to the floor of each House and require that both Houses approve the impoundments or the President could not continue to impound funds beyond that 60-day-period. Others favor a procedure whereby the President would have to give prior notification of an intended impoundment and he could not initiate an impoundment unless the Congress give specific prior approval of it. Still others feel that the Congress should take no action to limit the President's impoundment authority and have questioned the constitutionality of nullifying an impoundment by a simple concurrent resolution which could not be vetoed by the President.

In testimony prepared for delivery before the Rules Committee today, I have suggested yet another alternative in my House Concurrent Resolution 165 which would authorize and direct the Joint Study Committee on Budget Control to report legislation to the Congress no later than June 1, 1973, providing for budgetary control machinery including procedures for the operation of an enforceable spending ceiling beginning with fiscal 1974 and procedures for limiting the impoundment authority of the President.

It seems to me this is the most logical and responsible approach to the problem which is not just impoundment but rather our own ability to manage the fiscal affairs of Government in the Congress, specifically, our ability to take an overview of the budget and to act more responsibly in the entire authorization and appropriations process. If we can succeed at this, we will have obviated the need for impoundments.

I think the approach incorporated in House Congressional Resolution 165 does present us with a sensible alternative to acting on any anti-impoundment bill at this time, for it recognizes the need to coordinate any anti-impoundment procedures with other budgetary control mechanisms which may be recommended by our Joint Committee. Without such a coordinated approach, we will be disciplining the President without first disciplining ourselves, and the results could be disastrous for our economy. My resolution is not an attempt to delay, defer or postpone congressional action in the area of impoundment indefinitely, for it requires that any bill brought to the Congress on June 1 of this year must include anti-impoundment language as well as provisions for an enforceable spending ceiling. Next week I will be circulating a "Dear Colleague" letter soliciting cosponsors for my resolution. I urge all members to give this alternative their most serious consideration. At this point in the RECORD, Mr. Speaker, I include the text of my impoundment testimony:

TESTIMONY OF THE HONORABLE JOHN B. ANDERSON BEFORE THE HOUSE COMMITTEE ON RULES IMPOUNDMENT HEARINGS, MARCH 29, 1973

Mr. Chairman and Members of the Committee:

I appreciate this opportunity to testify today on the important subject of impoundment legislation. As a member of this committee, I know what a high value you place on brevity which is supposed to be the soul of wit. So I shall attempt to be brief if not witty. I simply want to make a few important points about the impoundment problem and a couple of suggestions about proposed solutions. And these observations and proposals have been put forward in somewhat greater detail in the materials which I submitted to each of you yesterday.

First, I think it's extremely important that we put this impoundment problem in proper perspective. We hear and read a lot these days about an "impoundment crisis," and from some accounts you'd think President Nixon invented this whole process. The truth is that Presidents since Jefferson have resorted to one form of impoundment or another. In just the last 13 years since 1960, the annual average impoundment has been 5.6 percent of total budget outlays. In 1961, for example, President Kennedy withheld nearly 8 percent of his budget, and in 1967, President Johnson impounded 7 percent of his budget. By comparison, in this fiscal year President Nixon is holding only 3.5 percent of his budget in reserve, or 2 percentage points less than the annual average of the last 13 years. So, if what confronts us today is an "impoundment crisis," then where oh where was the Mahon bill when we had the "super-catastrophic crisis of impoundment" under President Kennedy and Johnson?

The second point I wish to make is that the lion's share of the impoundments do not come down on the human resource side of the budget, as popular myth would have it, but rather on the space-defense-public works side of the budget. To be specific, of the \$8.7 billion currently being withheld, 28 percent is from the highway trust fund, and another 25 percent from the Department of Defense; yet another six percent is from space research and technology, general government, and veterans' benefits and services. Thus, nearly 60 percent of all impoundments are being made not from the human resource side, but from these other areas. In addition, about 22 percent of impoundments are evenly divided between agriculture and rural development, and environment and natural resources; six percent is from housing and community development; and only 4 percent of the impoundments are in the areas of health, income security, education and manpower combined.

So, to those who would argue that impoundments have knocked our priorities out of whack, I would suggest they look back at the facts; and the facts are that the impoundments reflect the very priority preference espoused by those who squawk the loudest against impoundment.

In view of these facts, I find it a bit curious that an impoundment bill is now being rushed through the House with such great sense of urgency. There didn't seem to be any great urgency or concern about holding our Joint Study Committee on Budget Control to its legally mandated final deadline of Feb. 15 for recommending budgetary control procedures and machinery. No, they were given a quiet extension until December 31st, far too late to help us in fiscal 1974.

So, we have the paradox of impoundment control now, spending control later. You can fill in the gap with higher taxes or increased inflation or both. Put another way, we have here the irony of a bill which restrains the President from holding down spending, but does nothing about restraining the Congress from pushing up spending.

Mr. Chairman and Members of the Committee, isn't all this just getting a bit too foolish and ridiculous and irresponsible to even be considered good partisan politicking, posturing or point-making anymore? And, before you protest, let me add that I won't

deny for a moment that this is being done by both sides.

But we might all do well to re-read that Dave Broder column from last Sunday's Post. You will recall that he had just returned from a fiesta in a small Mexican town during which an historic mock battle was reenacted. And Broder drew the following analogy:

"To this returned traveler the three-month old battle between the President and Congress seems as full of clatter—an devoid of consequence—as that marathon mock-battle in that little Mexican village."

And Broder goes on to write:

"A fiesta of course is its own justification. It sure beats working in the fields. And a 'constitutional crisis' may serve the same function for Washington, relieving its politicians from the dreadful drudgery of governing."

Mr. Chairman, did you ever stop to think that it might not take the perspective of a Mexican holiday to see the Congress in that light? Did you ever stop to think that to the people of Gary, Indiana or Rockford, Illinois we might resemble those costumed soldiers engaged to mock battles full of clatter and devoid of consequence?

I would only suggest today that we take the issue before us quite seriously and in its proper perspective. There is work to be done in the fields—the dreadful drudgery of governing.

I think this Committee can distinguish itself in this midst of all this clatter by declaring a cease-fire in the battle of the budget between the President and Congress, and furthermore, can be instrumental in drafting a peace agreement that will hold down spending and impoundments.

I don't like impoundments anymore than the next person, but at the same time I realize that these have been necessitated because the Congress has been unwilling to face up to its own responsibilities in this area of holding spending within reasonable limits. But an impoundment bill alone is not the answer: it is only an antidote to neutralize another antidote which many Members of Congress find distasteful. But not only does this antidote not check the spreading poison of irresponsible spending and spiraling inflation which is infecting our system, in neutralizing the antidote being used by the President—his impoundment authority—we are only guaranteeing the further spread of that poison.

All I am urging in the amendment and substitute or companion bill I will be offering at the conclusion of these hearings is that we effectively check the spread of that poison by reasserting our own rights and responsibilities. Put quite simply, if we put a lid on impoundment, we must also put an airtight lid on spending. And if we are going to have an airtight lid on spending, we should have it in time for fiscal 1974, and that means mandating our Joint Budget Committee to produce that for us within the next two months. I therefore will urge adoption of the amendment as well as my companion or substitute resolution.

APPENDIX

Text of Anderson Amendment to H.R. 5193:
On page 5, after line 23, add a new Section 5 to read as follows:

"Sec. 5. (a) The provisions of this Act shall take effect in any fiscal year in which the Congress, by act of Congress or by concurrent resolution, fixes a ceiling on outlays for such year, and shall be suspended only when the Comptroller General of the United States makes a determination, and so reports to the Speaker of the House and the President of the Senate, that the Congress has exceeded or is expected to exceed such ceiling.

(b) Such suspension of the provisions of this Act shall remain in effect until the date that the Comptroller General makes a determination, and so reports to the Speaker of the

House and the President of the Senate, that appropriate action has been taken by the Congress to insure that outlays for the fiscal year will not exceed the total authorized pursuant to subsection (a) of this section.

Text of H. Con. Res. 165 introduced by Mr. Anderson of Illinois:

"Resolved by the House of Representatives (the Senate concurring), That the Joint Study Committee on Budget Control is authorized and directed to report to the Congress, by bill or resolution, no later than June 1, 1973, its final recommendations with respect to any matters covered under its jurisdiction, provided that such report shall include, but shall not be limited to (1) procedures for improving congressional control of budgetary outlay and receipt totals, including procedures for establishing and maintaining an overall views of each year's budgetary outlays which is fully coordinated with an overall views of the anticipated revenues for that year; (2) procedures for the operation of a limitation on expenditures and net lending commencing with the fiscal year beginning July 1, 1973; and (3) procedures for limiting the authority of the President to impound or otherwise withhold funds authorized and appropriated by the Congress."

EXPAND ACIR TO INCLUDE SCHOOL BOARD OFFICIALS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. FASCELL. Mr. Speaker, I am today introducing legislation to expand the membership of the Advisory Commission on Intergovernmental Relations to include two elected school board officials.

Congress authorized the establishment of the Commission in 1959 to provide an ongoing review of intergovernmental programs and problems and to make recommendations for ways to improve the operation of our federal system of government.

A primary objective of the Commission was to encourage the coordination of all levels of government—Federal, State and local—and the general public. Membership on the Commission, determined by law, includes six Members of Congress, three from each body, three officers of the Federal executive branch, four Governors, three State legislators, four mayors, three county officials, and three private citizens. I feel this membership should be expanded to include elected school board officials as well.

Public education directly affects nearly every American home and every citizen. It involves an annual cost of \$47 billion, employs 5 million people and directly touches the future of 46 million children. School board officials responsible for public education are, in many cases, the elected official closest to the people. The effects of their actions are immediately visible. This immediacy puts them at the heart of our federal system.

The Advisory Commission has recently been charged by the President with suggesting the form which the "new finance" for education will take. The need for such a study is clear. However, the need for participation in such a study by those

persons most knowledgeable in this area and those most responsible, has been overlooked.

The case for school board official's participation in this instance is clear. In addition, almost every vital action of the Commission in some way affects schools.

The chairman of the Dade County School Board has written:

Since about one-half of the taxes of this country at the state and local levels go toward education, and an ever increasing percentage of federal monies is spent in this fashion, we feel that it's vitally important that our views and concerns are expressed as a working member of the Advisory Commission on Intergovernmental Relations."

Last year the Intergovernmental Relations Subcommittee of the House Government Operations Committee held hearings on proposals similar to the one I am introducing today. I hope that the subcommittee will continue its consideration of this issue in the near future, and urge favorable action.

LATIN AMERICA AND THE WHITE HOUSE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. HAMILTON. Mr. Speaker, I would like to bring an article by Sol Linowitz, former U.S. Ambassador to the Organization of American States, to the attention of my colleagues.

The article, from the March 7, 1973, issue of *World* magazine, is entitled "Look, Mr. President, Latin America Is On The Map, Too." Ambassador Linowitz notes that:

The Nixon administration has seemed rudderless in this area, and Latin Americans speak bluntly of the Nixon "non-policy" toward Latin America.

The article follows:

[From the *World* magazine, Mar. 7, 1973]
LOOK, MR. PRESIDENT, LATIN AMERICA IS ON THE MAP, TOO
(By Sol M. Linowitz)

(NOTE.—Sol M. Linowitz, an attorney and former chairman of the Xerox Corporation, served from October 1966 until May 1969 as U.S. ambassador to the Organization of American States and U.S. representative to the Inter-American Committee of the Alliance for Progress.)

Not long ago the *Jornal do Brasil* (a not unfriendly Brazilian newspaper) ran a cartoon that shows President Nixon standing before a globe of the earth contemplating Europe, the United States, and Asia. In the next panel, Nixon, crouching down, peers in astonishment at South America and exclaims: "Look, there's a map on the underside, too!"

The cartoon's implications are painfully clear: To Latin Americans, President Nixon is the first U.S. President in this century who has prided himself on his mastery of world affairs, yet has had literally no policy for Latin America. Other presidents during the past seventy years, whether their goals were regarded as a constructive or jingoistic, at least seemed to have some clear idea of what they wanted to accomplish "south of the border." Theodore Roosevelt had his Big Stick and Gunboat policies, replete with ter-

ritorial-imperative chest pounding. FDR launched the well-meaning, paternalistic Good Neighbor policy. And John F. Kennedy created the Alliance for Progress, which was later furthered by Lyndon B. Johnson. But the Nixon administration has seemed rudderless in this area, and Latin Americans speak bluntly of the Nixon "non-policy" toward Latin America.

Ironically, the relationship between the United States and Latin America inherited by the Nixon administration was basically a healthy, cooperative one.

There were, of course, problems and quarrels. But under the Alliance for Progress, Latin America had managed to achieve an annual average of 2.4 percent real per capita growth. This was exactly one decimal point below target, but far better than might have been expected during the 1960s, when the area's terms of trade and income from export commodities suffered badly. During that decade the United States contributed over \$8 billion in bilateral aid and was responsible for much of the \$6.5 billion in loans from international institutions such as the World Bank and the Inter-American Development Bank. The Latin Americans themselves, moreover, put up at least 90 percent of the capital required to fuel development and built up a sizable infrastructure of public-works projects and social programs.

One of the Alliance's crowning achievements was in export expansion and diversification—which is the critical bone of contention between the United States and Latin America today. Under the Alliance, Latin America moved away from the wasteful import-substitution policy that had been its mainstay during the 1950s, and concentrated instead on diversifying its exports. However, toward the end of the decade, Latin American leaders realized that further success in this program would require the United States and other countries of the developed world to tear down the trade barriers to Latin American-manufactured exports. It was at this stage that President Nixon stepped onto the scene.

Then came two striking developments in U.S.-Latin American relations: the Rockefeller mission to Latin America and the Latin American meeting that produced the document called the consensus of Viña del Mar.

In late January 1969, Nixon announced that he was sending Gov. Nelson Rockefeller—a former Co-ordinator of Inter-American Affairs, long known for his deep interest in the area—on a fact-finding mission to a dozen Latin American capitals. Rockefeller surrounded himself with highly respected experts from a wide range of disciplines and embarked on a whirlwind tour of Latin America. Some skeptics asked whether still another study was in fact necessary, but when it came out, the Rockefeller report did demonstrate the importance of Latin America for the United States objectives, and recommended significant action. The President accepted the report, and Latin Americans waited to see whether he would act on it.

Meanwhile—at precisely the same time as the Rockefeller mission—there was a meeting of CECLA—the Special Coordinating Committee on Latin America, which consists of all OAS members except the United States. The purpose of the meeting was to coordinate the Latin American position within the Alliance, and the conferees agreed on a statement issued as the consensus of Viña del Mar.

The consensus covered a good deal of ground, ranging from international financing to the transfer of technology and the role of foreign direct investment; and from tariffs and quotas to the prices of commodities on the world markets.

Specifically, it asked that the United States eliminate tariff and non-tariff barriers on goods from the developing world and that it champion Latin exports by helping secure similar treatment for them in other

developed markets. The CECLA group also sought greater financial cooperation that would allow recipients of aid to set their own priorities with no strings attached to the foreign aid they received.

Few national leaders in their first year in office have had such clear guides as the consensus and the Rockefeller report by which to formulate a foreign policy for a region. Yet for some inexplicable reason, the President failed to respond. In his only major Latin American policy statement, on October 31, 1969, the President, indicated his awareness of the key problems, and then to the great disappointment of Latin Americans did very little about them.

The Nixon proposal for Latin America, as outlined in the October speech, was known as Action for Progress in the Americas; its ideas were meant to be the backbone of the Nixon policy for Latin America. On the face of it, the program seemed to offer highly positive concessions to Latin America in four key areas.

First, with respect to trade preferences, the statement said that the United States would urge other industrialized countries to agree on a uniform, nondiscriminatory system toward developing countries. The system would be very generous, with no ceiling on preferential products that Latin America felt it could sell to the United States; and the United States would be prepared to go ahead with preferences for Latin America on a number of products if Europe and Japan could not be persuaded to go along on a more general trade preference for all developing countries.

A second point was the untying of U.S. AID (Agency for International Development) loans. It was emphasized in the policy statement as a significant step forward. What was not underscored was the fact that while AID recipients would no longer be tied to U.S. sources alone, they would be free to purchase manufactured imports with AID funds only from sources *within Latin America*.

A third and slightly related point was the promise to move toward increased multilateralization of U.S. aid for Latin America.

The program's last key point concerned the need to "deal realistically with governments in the inter-American system as they are." The President conceded that each nation had a right to decide whether or not it wanted foreign private investment. Without threatening countries that might choose the path of expropriation, the President quietly warned that such action might seriously affect investor confidence.

Latin Americans accepted these key policy positions with a sense of hope, which has over the months turned to cynicism and disillusionment.

One major setback to Latin American confidence in the new program came on August 15, 1971, when the Nixon new economic game was announced. The plan placed a 10 percent surcharge on imports to protect the U.S. balance of payments, and Latin America found itself lumped in with the other exporting areas. Many commodities that make up the bulk of Latin American exports were excluded, and White House spokesmen pointed out that only 22 percent of Latin American exports would be affected by the surcharge. However, they missed two important points that did not escape Latin Americans: First, the exports affected were fast-growing manufactured products, which Latin producers had worked long years to be able to manufacture for successful marketing in the United States. Second, Latin America's dollar-trade deficit with the United States had exceeded a billion dollars the previous year; and Latin Americans understandably felt that they should not be penalized in the same category as the European, Japanese, and other exporters who had contributed to the balance of payments predicament of the United States.

Quite clearly, the President had missed an extraordinary opportunity. He could have said he recognized that Latin America was not a factor in U.S. economic problems and could have absolved the area from the added burden of the surtax. Having failed to do so, however, he could no longer blame a protectionist Congress (as his administration had been doing) for the failure to live up to his commitment on trade preferences for Latin America.

The predictable result was to unite Latin America firmly against the United States. Even such strange bedfellows as Brazil and Chile were able to get together with other Latin American countries in an emergency CECLA meeting in Buenos Aires that condemned the U.S. action and explored possible sanctions against the United States. A belated decision (made after the CECLA affair) to roll back the 10 percent AID cut failed to overcome the resentment and hostility that had been aroused.

The promised multilateralization of aid also proved to be a disappointment to the Latin Americans. At the beginning of last year, President Nixon issued a statement that appeared to increase politicization of multilateral aid channeled through the Inter-American Development Bank and the World Bank. He warned that all U.S. aid—including that funneled through multilateral institutions—would, in the absence of special circumstances, be cut off from countries that expropriated U.S. investments without prompt and adequate compensation.

Other statements exacerbated the situation. While still secretary of the treasury, John Connally stated in an interview: "The United States can afford to be tough with Latin Americans because we have no friends left there anymore." Later, as good-will ambassador to Latin America, Connally warned Venezuelans that "the United States has the power to export prosperity or poverty to any country in the world to which it chooses to do so."

Against this background it is quite clear that the Nixon non-policy toward Latin America has had one effect: It has united Latin America in opposition toward the United States and its surrogates—the hundreds of subsidiaries of U.S. corporations spread throughout the region. On other issues it has helped set Latin American leaders against each other in their efforts to vie for leadership of the region precisely at the time when the nations of Latin America should be working solidly together for development of the continent.

Neither the United States nor U.S. private investment in the area has benefited from this non-policy toward Latin America. Therefore, what we now need—and need badly—is a cohesive policy for Latin America that will take into account the hemisphere's special requirements and desires. And this challenge presents the new Nixon administration with an extraordinary opportunity at a pivotal moment.

What should be the ingredients of such a policy? Here are a few suggestions:

1. Define U.S. goals in the hemisphere, and spell out just as clearly what the United States expects of others. Then stick to these commitments.

There is no need of studies and analyses that make clear what our approach should be and how we should go about it. What we need—and desperately—is to recognize that clarity, like charity, must begin at home. To talk about "partnership" at a time when there is not even a constructive dialogue is neither realistic nor constructive. To be effective, a partnership must begin at the top—with the President. There must also be a genuine commitment on the part of the President, which in turn is reflected throughout the administration.

2. Move the Alliance for Progress toward a second stage, in which it would really be

directed on a multilateral basis, with goals mutually defined.

We have long since passed the time when the United States can attempt to direct the destiny of Latin America. It is now necessary for all sides to participate in setting up goals and guideposts. The consensus of Viena del Mar and the recommendations of the Rockefeller commission can be important guides in establishing common objectives. The United States should indicate its readiness to join in developing such common goals.

3. Use existing inter-American institutions to conduct as much of our governmental business with Latin America as possible.

The OAS and the Inter-American Development Bank are two established organizations in which the United States can place its trust in dealing with the area. Both are staffed with dedicated international civil servants who are seeking to develop the region and who can speak both the language of the United States and that of Latin America. We should make clear our confidence in, and respect for, such inter-American institutions.

4. Once the United States has agreed to the principle of multilateralism, we should assure that decisions with respect to multilateral aid are truly multilateral.

As is true with any corporate board of directors, the role of the board of a multinational institution is to set overall standards and leave everyday management to the professional managerial staff. The same should apply in the case of international lending institutions. It would be helpful in this regard if Japan, European countries, and others were to join such institutions as the Inter-American Development Bank in order to assure that they are truly multilateral and not dominated by the political influence, express or implied, of the United States.

5. Open up the U.S. market to Latin American products to the greatest extent possible and in a way that will truly benefit inter-hemispheric trade.

One idea worth exploration would be for the United States to allow Latin American products to come in free of all duties and quotas to the extent of the almost \$2 billion trade surplus it has with the region. There is no reason why a nation as powerful as the United States must make its mark at the expense of its developing neighbors. To make the formula more acceptable to Congress, the United States could insist that Latin nations reduce their barriers against U.S. exports to the degree they benefit from increased exports to the United States.

6. Help rekindle the fire of economic integration.

During the first eight or nine years, regional integration worked well, but it has since been stymied in its growth. Both LAFTA (Latin American Free Trade Association), which includes all of South America plus Mexico, and the Central American Common Market have run into difficult times. At the presidents' summit meeting in April 1967, a Latin American common market was the leading item on the agenda. The United States could help revive interest in it by offering to become a non-reciprocal member—which would open up its markets—but not insist on the same from Latin Americans. A major market outside the area could be the stimulus that regional integration needs to set its export goals high and to develop the way to reach them.

7. Make clear the nature of the relationship between the U.S. government and Latin American subsidiaries of U.S. parent companies.

If the U.S. government has a responsibility for helping American companies in conflict with foreign governments, then it must also be prepared to be responsible for companies that conduct themselves badly in a particular country. The United States could insist that

American companies follow a specific code of conduct of responsible international companies that would state what rights companies should be able to expect when dealing internationally, and what duties to the host country they have in return. If a U.S. company is wronged under such a code, then the U.S. government could, in good conscience, step in to make this known to an international tribunal, while avoiding any unilateral action.

8. Accept the idea that Latin American countries—like other countries of the world—have the freedom to determine their own political, social, and economic systems on behalf of Latin Americans and in a Latin American way.

The United States must learn to understand and accept the fact that differences exist among people and their ways of looking at things. And it must learn to adapt to these systems when they pose no intrinsic danger to the United States, and to avoid hostile knee-jerk reaction when disagreement occurs.

There is, of course, no guarantee that such policies will entirely abate hostility and tension. But they could begin to change the climate and move us back to a spirit of cooperation, rather than conflict. The need has never been greater, both in our own interest and in the interest of hemispheric progress and world peace.

NOT EASY TO VOTE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. RANGEL. Mr. Speaker, in considering legislation concerning the reformation of our voter registration system, we would do well to look at the system administered in other nations. Compared to countries such as England and Canada, the U.S. system of registering eligible voters is antiquated and wholly ineffective. There is one major difference which accounts for so many Americans failing to register and nearly all Britons and Canadians being registered.

We, in this country, leave the initiative and burden of registering on the individual. In other countries, the burden is shouldered, as it should be, by the government. Until we reject the aristocratic notion that one has to prove himself worthy of voting by accomplishing the truly difficult task of registering, fewer and fewer Americans will be eligible to even enter polling places.

I submit for your attention and the attention of my colleagues, a Christian Science Monitor article of November 3, 1972, appropriately entitled "Not Easy To Vote."

I also refer my colleagues to page 19 of hearings before the Post Office and Civil Service Committee in the House, 92d Congress, 2d session, on the concept of national voter registration. Testimony is submitted by J. M. Hamel, Chief Electoral Officer of Canada.

The article follows:

NOT EASY TO VOTE

(By Richard L. Strout)

WASHINGTON.—The problem in Europe is to get yourself off the voter registration rolls.

When you reach voting age the thing somehow seems to happen automatically—the appropriate authorities move in and presto,

there your name is on the voting list, at government expense. Try and shake it off by moving—it is as hard as trying to leave no mail forwarding address. It's much the same in Canada, too.

Things are different in the United States. That's one reason the percentage of eligibles who vote in America always seems so melancholy. The burden is on the individual to make the first move, as the burden is on the male in a marriage proposal. Only here it is more difficult in a way because every time you change homes you must take the initiative again all over. Americans are the most mobile race on earth. Move from one suburb to another or to another state, and try to find the central registration point in an unfamiliar part of the metropolis: not too hard, maybe, for the highly-motivated, self-confident, well-established voter but far different for the poor and humble.

Canada had a national election last Monday and the United States has one next Tuesday. It is interesting to note the difference in their registration procedures.

Voting registration laws in the U.S. "constitute a major exception to the practice in most democracies of placing the responsibility for updating registration lists on the government rather than on the individual," remarks Penn Kimball in "The Disconnected" (paperback, Columbia University Press). Maybe that's the reason that the University of Michigan Survey Research Center finds that the proportion of nonvoters here is double that abroad.

In 1964, only 63 percent of America's eligible voters voted. In 1968, it was down to 61.4 percent. In 1972 —? This has been the most apathetic election of modern times; we shall be fortunate if the figure isn't below 60 percent. (The congressional election of 1966 brought out only 46.3 percent.)

Well, then, what does Canada do? Almost before the prime minister dissolved Parliament thousands of official enumerators were out ringing doorbells. It was like a census. They and their deputies printed lists of voters and posted them in public places, and anybody could check them for accuracy. There were no property or educational qualifications.

Canadian enumerators began enrolling voters 49 days before the election. They worked in teams of two for each polling district (roughly 250 to 300 voters) and they went to each residence together at least once during daylight hours. Suppose you or your wife weren't home? Well, they returned at least once during the evening. If they still didn't hit you they left word where they could be reached. There was no ducking them and few wanted to. The enumerators, incidentally, got \$32, plus 10 cents per head for each elector bagged on their final list. Spot checks in the past indicated 98 percent of all eligibles were registered.

There's been a drive in Washington to bring the U.S. abreast of Canada and other democracies by instituting universal enrollment laws. These would put the responsibility for registration on the government. It would cost something. The cost of enumeration in Canada is around \$13,500,000 or \$1.25 a voter. On a proportional basis of population the cost in the U.S. might be \$135,000,000. Some congressmen here think it could be done by postcard for \$50 million.

Groups like Common Cause, League of Women Voters, Committee for Economic Development and others urge Congress to adopt universal registration, and senators like Hubert Humphrey, Edward Kennedy and Daniel K. Inouye of Hawaii offer plans. It is an idea whose time "has almost come," say sponsors. Alas don't be too sure. How about gun control, no-fault insurance and ending the Electoral College? Washington often seems like a city of ideas whose time has come. And gone.

THE U.S. ENERGY OUTLOOK

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. ARCHER. Mr. Speaker, the House Ways and Means Committee heard testimony on February 26, relating to the U.S. energy crisis and its implications on our foreign and domestic policies in general and on our tax policies in particular.

One of the witnesses to testify before the committee was John M. McLean, chairman and chief executive officer of Continental Oil Co. Because of the great public interest in this issue, I believe it appropriate that all Members of Congress be advised of the content of Mr. McLean's statement. A summary of his testimony follows:

THE U.S. ENERGY OUTLOOK AND ITS POLICY IMPLICATIONS

(By John G. McLean)

Summary of testimony

I welcome this opportunity to speak about the U.S. energy outlook and its implications for our domestic and foreign policies in general, and our tax policies in particular. The trend of recent events provides persuasive evidence that energy problems, in all their many ramifications, will rank high on our list of national priorities for at least the next two decades.

I. THE U.S. ENERGY OUTLOOK

The essential facts with regard to the U.S. energy outlook may be summarized as follows:

First, the U.S. energy problem is a medium-term problem—not a long-term problem. We have potentially recoverable, oil, gas, coal, uranium, and shale oil sufficient to meet our energy requirements for at least 200 years, at present consumption rates. Long before the end of that period, advances in technology should bring us new energy sources, such as the breeder reactor, nuclear fusion, solar power, and geothermal power, which will greatly diminish the drain upon our natural energy materials and assure energy availability into the indefinite future. Our problem is to develop our potential resources fast enough to meet our growing requirements in the medium term—the 10-15 years immediately ahead.

Second, U.S. energy requirements will approximately double between now and the middle 1980's. Energy conservation programs, voluntary or mandatory, are not likely to alter the growth pattern in any major degree.

Third, to meet at least 90% of these requirements, we shall have to rely upon the four conventional fuels—oil, gas, coal, and nuclear power—which today supply about 95% of our requirements. Technological problems, together with the long lead times and massive capital inputs required for new plant construction, preclude any major contribution from the newer energy sources before the middle 1980's.

Fourth, the four conventional fuels are not likely to be developed fast enough to meet our energy needs in the period immediately ahead. Hence, we shall have to import a growing volume of oil and gas from overseas. Petroleum imports will run about 6 million B/D in 1973. In my judgment, they will rise to about 12 million B/D by the middle 1980's. This figure could be somewhat lower if the government promptly adopts strong policies aimed at restoring our near self-sufficiency in fuels.

II. ECONOMIC AND POLITICAL IMPLICATIONS

The economic and political implications of our future energy outlook are staggering.

First, as our imports of oil and gas grow, we shall become increasingly dependent upon foreign countries for a vital portion of our energy supplies. In 1970 we were obtaining about 26% of our oil and 12% of our total energy from overseas. By 1985, these percentages will approximately double. Our dependence will not be geographically dispersed; it will be highly concentrated. Most of the oil will have to come from the 11 OPEC countries (particularly Saudi Arabia and Iran) which today have 85% of the Free World crude oil reserves outside the United States and Canada and account for 90% of the oil exports moving into world markets.

Second, our growing requirements for oil and gas imports will provoke a large and growing deficit in the United States balance of trade in fuels. In 190, this deficit was about \$2 billion; in 1973, it will be over \$4 billion, and by the early 1980's it could exceed \$20 billion. Our total exports of all goods and services are only about \$70 billion. Our goods and services account in 1972 was for the first time in deficit by about \$5 billion. A fuel deficit of some \$20 billion will impose a well-nigh intolerable burden on our trade position and make it increasingly difficult to maintain stability of the dollar in the world financial markets.

Third, our growing purchases of oil and gas, coupled with those of Western Europe and Japan, will create major new centers of financial power. We are on the brink of the most dramatic expansion of wealth and financial power by a small group of countries that the world has ever known. By 1985, the OPEC countries could be collecting oil revenues at an annual rate of almost \$45 billion, even without additional price increases after 1975. In the 15-year period 1970-1985, the total funds flowing to the OPEC countries could aggregate as much as half a trillion dollars—about nine times the amount they received in the prior 15-year period. Most of these countries are not yet ready to use internally new funds of this magnitude. A large portion of the oil tax revenues will thus move into the long- and short-term money markets of the Free World in ways, and with impacts, which are difficult to predict.

Fourth, as we move from a long period of abundance to a time of growing scarcity in energy materials, our economy will certainly experience rising energy costs. We have already exhausted a large share of our highest quality, most easily accessible and, therefore, cheapest energy materials; new indigenous supplies will necessarily come at higher prices. Higher prices will also be needed to invoke the large capital inputs required to meet our future needs. Higher prices will directly increase internal cash generation, and will increase the presently low rates of return to attract new outside capital. By 1985, energy costs could be 100% higher than they are today. These increases can be absorbed in our economy without serious disruptive effects. Our problem is one of adequacy and continuity of energy supplies—not one of energy costs.

III. GENERAL ENERGY POLICIES

The picture I have sketched of the U.S. energy outlook and its economic and political implications is not a pleasant one; it is profoundly disturbing. Clearly, we should promptly initiate domestic policies to ameliorate our energy problems to the extent we can and foreign policies to minimize the risks implicit in the whole situation.

The first absolutely essential step is to develop a comprehensive national energy policy and to establish a single, high-level agency in our own government to coordinate our national efforts on energy matters, both at home and abroad. I am not suggesting appointment of an "energy czar". I believe the job can best be done by a Cabinet-level Energy Committee, under a strong Chairman,

which would establish priorities and guidelines and be empowered to eliminate the delays, conflicts, and confusion which prevail among the many different federal, state, and municipal agencies presently involved in energy matters. The federal government should not seek to play a direct role in the discovery and development of natural resources; its task should be to create legislative, regulatory, and economic circumstances such that the task can be performed effectively by private enterprise.

Constructive action in the domestic field should be initiated along at least four general lines:

First, we should take all possible steps to stimulate the development of our indigenous energy resources. Among other things: We should accelerate the leasing of federal lands for resource development. We should permit the prices of all fuels, particularly natural gas, to reach competitive market levels. We should strengthen existing tax incentives for energy resource exploration and development. And we should maintain and improve fuel import controls to avoid precipitous dislocations in our balance of trade and discouragement of domestic resource development efforts.

Second, we should seek some reasonable modifications in the ecological restraints which are presently inhibiting the development and consumption of our indigenous fuels. Among other things: We should modify the Clean Air Act of 1970 to incorporate the California standards with respect to automotive emissions. We should approach our goals regarding the elimination of sulphur dioxide from power plant stack gases over a longer time period. We should revise the Federal Coal Mine Health and Safety Act of 1969 to eliminate features which impair productivity without making substantive contributions to the health and safety of miners. We should encourage the aggressive development of surface coal mines with strong, but reasonable, requirements for land reclamation. And we should simplify and expedite all procedures for the siting of nuclear power plants, refineries, and deep water terminals.

Third, we should initiate national programs to reduce waste in the consumption of energy. I am not suggesting curtailments which would have a negative impact on the growth of our economy. There are many areas, such as better insulation of houses and office buildings, in which we could conserve energy without impairing economic growth.

Fourth, we should begin work immediately on research and development programs to take care of our energy needs beyond 1985 and into the long-term future. Our objective should be to regain our historical position of near self-sufficiency in energy supplies as rapidly as possible. As clearly evident, national commitment to this objective will have an important constraining effect on the policies and price demands of the oil exporting countries. We have an adequate resource base. We could have been nearly self-sufficient in energy today if we had foreseen our problems and initiated corrective action some 10 or 15 years ago. We must act now to assure that we do not make the same mistake with regard to the period beyond 1985.

IV. ROLE OF TAXATION POLICY

In light of the foregoing facts regarding the U.S. energy outlook and the national policy imperatives implicit therein, I would next like to deal with certain major tax issues.

In my judgment, the rising costs and capital requirements involved in a national effort to regain our historical position of near self-sufficiency in energy supplies can best be met through a combination of tax incentives and price increases. An increase

in tax incentives will probably have a more direct and immediate influence than an increase in prices. A reduction in taxes leads to immediate increases in cash flows and rates of return on investment. Price changes are dependent on market forces, occur more gradually, and may be delayed until triggered by rising costs. Moreover, the affirmative investor response to an increase in tax incentives would be extremely important in provoking new capital inputs. Specific recommendations are as follows:

First, percentage depletion should be restored to the 27½% level and should be removed from the list of items subject to the tax on tax preferences. I am well aware that this recommendation will be unpopular in some quarters and regarded as politically naive in others. It would take great political courage for this Committee to sponsor such a move. Nevertheless, the exigencies of our national energy situation are such that this is the right course of action for our government to take.

Percentage depletion is a particularly effective incentive since it is success oriented, not effort oriented. Only those who discover energy resources, and thus help our energy situation, receive the benefit. Increased percentage depletion would increase cash flows and rates of return and make new investments in exploration and development more attractive.

Second, the right to deduct intangible drilling and development costs when incurred should be continued. This incentive is of vital importance to the petroleum industry. Its repeal would severely curtail the flow of capital into the search for sorely needed new supplies of oil and gas. It would also mean that many marginal producing properties would not be developed; many secondary recovery projects would not be undertaken; and tertiary oil recovery would be materially delayed.

Third, the present tax treatment of foreign operations should be preserved. Over the near term, we must depend to a substantial degree on foreign oil sources. The risk of this dependence is reduced if the sources are well-diversified geographically. The effective costs are also somewhat reduced if the operations are conducted by U.S. companies.

Our U.S. companies must compete abroad with agencies of foreign governments and/or with companies heavily subsidized by foreign governments. These organizations are not necessarily constrained by profit considerations. We cannot put our companies at a further disadvantage and hope to stay in the increasingly competitive race for foreign energy supplies.

United States companies have no special U.S. tax advantages for their overseas operations. They operate under the same tax rules that apply to their comparable domestic operations. They must pay the higher of the U.S. income tax or the foreign income tax on the profits derived from foreign operations. The foreign tax credit merely assures that they are not subjected to double taxation. The foreign tax credit cannot be used to reduce the United States tax on income earned within this country.

In sum, reduction of the petroleum industry's tax incentives in 1969 has exacerbated our energy problems. A return to the incentive levels of 1969 will greatly facilitate efforts to improve our national energy posture.

I know that the House Ways and Means Committee will give thoughtful attention to all aspects of our energy situation in its deliberations. Our problems are serious; they will grow worse. Strong corrective measures are urgently needed in our domestic and foreign programs with respect to energy matters. Tax policies will have an important bearing on the success of these efforts.

AID TO NORTH VIETNAM: OR, TREACHERY REWARDED

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. PRICE of Texas. Mr. Speaker, it is completely intolerable for this Congress to as much as consider the prospect of American aid; be it economic, monetary, military, or otherwise, for North Vietnam, an outlaw nation guilty of the worst type of aggression, terrorism, and utter disregard for international law and the value of human life.

Especially at the time when U.S. domestic programs are necessarily being cut back and internationally this Nation is faced with a critical balance-of-payments deficit, the idea of aiding this renegade regime is an insult to conscience and common sense.

The blood of 50,000 American men has been spilled to stop North Vietnamese aggression; the American people have sacrificed a king's treasure to prevent the darkness of the bamboo curtain from extending still further like a cancerous growth into the bowels of Southeast Asia. After 10 agonizing years of holding the line against North Vietnamese tyranny, without the assistance of most other Free World nations who, on the one hand, did not feel a personal threat to their security but, on the other, readily seek shelter under an American nuclear umbrella, are we now going to ask the American people to dip still further into their pockets to pay tribute to the North Vietnamese barbarians who have, during all this time, attempted to defeat and humiliate the United States?

Mr. Speaker, there can be no justification for aid to the Communist government of North Vietnam. It is true the United States provided assistance to Japan and Germany at the close of World War II, but that was after both Nations had given an unconditional surrender and after both militaristic regimes were deposed. There is no similarity to the situation today where the bandits in charge of the North Vietnamese Government still ride roughshod and impose an iron-fisted tyranny complete with secret police over the people of that unfortunate country.

To the North Vietnamese terror is a weapon that is utilitarian and openly advocated. Captured North Vietnamese documents, which substantiate the testimonies of hundreds of military men and journalists, list and graphically describe the types of terror used against the South Vietnamese and the Americans. For example, on September 1, 1968, doctors at the American Division's 27th Surgical Hospital reported two Montagnard women brought in for treatment for advanced anemia. It was determined that the North Vietnamese had been systematically draining them of blood for the purpose of treating their own wounded. On March 21, 1969, a Kontum Province refugee center was

attacked by PAVN B-40 rockets. Seventeen civilians were killed and 36 wounded, many of them women and children. A third of the center was destroyed. On October 27, 1969, Communists booby-trapped the body of a people's self-defense force member whom they had killed. When relatives came to retrieve the body the subsequent explosion killed four of them.

Terror, always the preferred method of the Communists, is illustrated by the description of the mass graves discovered at Hue which yielded the remains of over 3,000 South Vietnamese victims. Many had been shot with hands tied behind their backs, others were bludgeoned to death, others simply buried alive. None of these victims, moreover, were collaborationists or active anti-Communists.

Terrible as the Hue murders were, many of the worst atrocities of the North Vietnamese have been committed against American prisoners of war. Our POW's have been tortured, publicly paraded through the streets, pressured into making broadcasts of alleged confessions, and denied proper medical treatment. All of the above are in direct violation of the 1949 Geneva Convention relative to the treatment of prisoners of war, to which North Vietnam acceded in 1957.

Article 21 of the Geneva Convention requires that POW's "not be held in close confinement," yet many American POW's have been held in solitary confinement for years. Article 26 requires that prisoners be provided with sufficient food to prevent the loss of weight, yet American POW's were fed pig fat and most have suffered malnutrition. Article 122 requires the prompt listing of all prisoners held, yet North Vietnam for years refused to release an official or complete list. In fact, we may never receive a complete accounting of the men lost in action, and I am not at all convinced that the North Vietnamese have told us all they know or that they have released all of the men taken captive.

Furthermore, I believe we will be hearing further stories of North Vietnamese atrocities as time goes by.

In view of these shocking facts, we must ask, are the American people willing to rehabilitate the country of those who have treated our countrymen with such disdain? I think not.

When President Lyndon Johnson proposed aid to North Vietnam for rehabilitation in April of 1965, his offer was publicly rejected by the North Vietnamese who labeled Americans as "stupid pirates." Perhaps the North Vietnamese rejected President Johnson's offer of aid because they surmised that if, through the use of terror, the war could be escalated and prolonged the American offer of aid might be multiplied by billions later on. With dishonest accounts of military damage the North Vietnamese could extract from us a tremendous sum in "reparations."

There is nothing new with the proposal of aid to North Vietnam; this Nation has for the past 25 years and at a cost of \$140 billion attempted to buy friends and peace around the world. I need not recite the miserable facts—we have no peace, we have no security, and we have very few friends.

President Nixon is correct in seeking a dialog with other Nations, friend and foe, so that the chance for misunderstanding or underestimating the intentions of the United States can be reduced. But to ask working men and women in this Nation to dish out an additional \$2.5 billion to reward those who have imposed the darkest hour on this Nation since the Civil War, cannot be justified and must not be permitted under any circumstance or guise.

If we must spend, instead of giving the money or the aid to the Communists, why not use it at home for the benefit of the American people? Why should our people always receive the last consideration when aid programs are designed by our self-serving army of bureaucrats working in Government? How many new school classrooms could be built for American children with this money? How much sooner could we find a cure for cancer if this money were invested for research instead of being squandered upon the Communists? Why do not we help our American Indians here at home instead of those who have plotted against us? What about senior citizens in the United States? How much better would their lot be if this \$2½ billion were spent to make their retirement years more comfortable? These are our fathers, mothers, and grandparents—should not they be given a higher priority than foreign Communist aggressors?

The fact is, we cannot afford to squander this money. The contention that this \$2½ billion would be "squeezed" from the defense budget is absurd. We must spend whatever is necessary to assure the security of this Nation, and therefore if this \$2.5 billion is essential to our military posture, it cannot be spent for aiding the Communists. On the other hand, if this \$2.5 is not essential to our defense preparedness, then it should not have been incorporated into the defense budget in the first place.

Mr. Speaker, the time has come to say no. Not one more dime for foreign squandering under the catchy slogan of an "investment for peace." To accede to this preposterous scheme would be to demonstrate again the wisdom of Calvin Coolidge who once observed:

Nothing is easier than spending the public money. It does not appear to belong to anybody. The temptation is overwhelming to bestow it on somebody.

Mr. Speaker, I am today introducing legislation to prohibit economic assistance to North Vietnam. I call upon the Congress for prompt approval of my bill. Let us "Tell it to Hanoi" that the American people will sacrifice for the cause of freedom but will not pay tribute to a pack of criminals who are not worthy of recognition as a civilized government.

Senator Everett Dirksen once labeled the proposal to give aid to North Vietnam as "another case where American trumpets sound retreat." Like it or not, that is the choice before us, and I believe this Congress would insult the American people and repudiate our sacrifices of the past decade if approval of this scheme is given. Uncle Sam must stop playing the role of Uncle Sap.

DISCRIMINATION IN FACULTY HIRING

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. CRANE. Mr. Speaker, the Civil Rights Act of 1964 forbids discrimination based upon race, sex, or age in employment.

In recent days it has become clear that an agency of the U.S. Government itself, the Department of Health, Education, and Welfare, is asking all those colleges and universities which receive Federal funds to do precisely what the law forbids: practice racial, age, and sex discrimination.

Unless colleges and universities submit to such regulations, and have stated "quotas" of faculty members of different groups—men, women, whites, blacks, and so forth—they are threatened with the withdrawal of Government funds.

Congress has never passed any law calling for such quotas. In fact, the civil rights legislation it has passed would clearly forbid such quotas. The President himself has said that he opposes quotas. Despite these facts, bureaucrats at the Department of Health, Education, and Welfare are imposing them.

Consider a letter received from Dr. Tullio J. Pignani, chairman of the department of mathematics at East Carolina University by Dr. Paul T. Bateman, chairman of the department of mathematics at the University of Illinois.

Dr. Pignani states that his "reason for writing is to inquire if there is a person associated with your institution who meets the following qualifications." What are the qualifications? The person must be "black or Chicano." The person must be "retired, but of age less than 70."

The candidate for a position at East Carolina College must also have "Directed Ph.D. dissertations in Mathematical Sciences other than Modern Algebra and Topology, and must have a broad view of mathematics."

The possibility of finding a candidate who is black or Chicano, over 65 but under 70, with the particular qualifications set forth is highly unlikely.

Dr. Pignani also states on this letter that "East Carolina University is an Equal Opportunity Employer" and that "a negative answer as well as a positive one" is requested.

It appears that East Carolina University is making this illegal and discriminatory request simply to fulfill quotas set forth by the Department of Health, Education, and Welfare. Why else would a "negative" reply be requested if not to establish the fact that it had done its best to fill the available position in a discriminatory manner?

I wish to share the letter from Dr. Pignani to Dr. Bateman with my colleagues, as an indication of what is happening today on the Nation's campuses with regard to faculty hiring. If this is not racial and age discrimination, I do not know what is. Following is the letter in question:

EAST CAROLINA UNIVERSITY,
Greenville, N.C., February 5, 1973.

Dr. PAUL T. BATEMAN,
Chairman, Department of Mathematics, University of Illinois, Urbana, Ill.

DEAR DR. BATEMAN: My reason for writing is to inquire if there is a person associated with your institution who meets the following qualifications:

Ethnic Group: Black; Chicano.
Age: Retired, but of age less than 70.
Experience: Directed Ph.D. dissertations in Mathematical Sciences other than Modern Algebra and Topology, and must have a broad view of mathematics.

Health: Good.
Please use the enclosed form letter and envelope to supply me with names and addresses of persons who possess the above qualifications. Since East Carolina University is an Equal Opportunity Employer, I would appreciate a negative answer as well as a positive one.

In the past, the Department of Mathematics has maintained one position for the sole purpose of hiring retired mathematicians who have the necessary qualifications to fill our needs. Such a person among our young faculty gives the Department a proper balance. The sudden death of Dr. W. M. Whyburn last May created a vacancy that has not yet been filled.

Your attention and time in replying to my request is greatly appreciated.

Sincerely,

TULLIO J. PIGNANI,
Chairman, Department of Mathematics.

MRS. SLAVIN'S STATEMENT ON RETAIL FOOD PRICE SURVEY

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. CLAY. Mr. Speaker, we have heard many lectures from the President regarding wise shopping.

We also have been given numerous reasons why we are being forced to pay such ridiculous prices for our food.

We also have been urging consumers to get involved and do their own thing to help keep down food prices.

I can proudly say, Mr. Speaker, we are fortunate to have in the First Congressional District of Missouri, Mrs. Alberta Slavin, a woman who has organized, fought for, and championed consumer interests.

As president of "Housewives Elect Lower Prices," she has often appeared before legislative bodies and Government agencies to appeal for commonsense.

Mrs. Slavin's most recent offering is a statement to the Federal Trade Commission regarding the proposed FTC retail food price survey. I commend this outstanding and informative statement to my colleagues. The statement follows:

CLAYTON, MO.,
March 19, 1973.

ASSISTANT DIRECTOR,
Division of General Litigation, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C.

DEAR SIR: I welcome the opportunity to present my comments to the Federal Trade Commission on the proposed Protocol for the FTC retail food price survey. As President of Housewives Elect Lower Prices, an organi-

zation of volunteers who have been surveying retail food prices in the St. Louis Metropolitan area since October 1967. I feel qualified to offer my remarks with the hope that the Commission will give them due consideration.

Before dealing with the mechanics of the proposed Protocol, I feel it is necessary to give you a little background on the survey work we have been doing and the reasons for our continued involvement. Our initial survey was conducted by a group of 20 friends who were concerned about high prices and the overpromotion of food sales with trading stamps and games. Purely by chance, our first survey provided data on the subject of food price discrimination and served as testimony for Congressional hearings conducted in St. Louis by Representative Benjamin Rosenthal.

As a result of these hearings, our organization grew in numbers of volunteers and our work continued in conjunction with other community action organizations. Our first thrust was to correct any imbalance between prices in outlets of the same chain which were located in different neighborhoods. There is no question that this survey work was extremely successful in correcting an identifiable problem, but I question whether or not the long-term effect of this thrust was beneficial, a point I will elaborate on later in this statement.

Over the years our continued surveys have been extremely useful for a variety of reasons and have provided the information needed to give impetus to our various activities. For example, our surveys have:

Provided a backdrop for urging the elimination of trading stamps and games, promotional gimmicks which inflate food prices unnecessarily.

Contributed to a ruling by the FTC regarding availability of advertised specials.

Led to early revelation of the failure of Phase II in controlling the advance of food prices, particularly meat prices.

Showed that Phase III was an even greater failure than Phase II and formed the basis for calling for our "Meatless Thursday" program.

Without this backdrop of experience, I was shocked to see that the FTC was proposing to survey retail food prices with the limited goal of exposing fraudulent advertising claims. This proposal comes about five years too late. Very few consumers today are fooled by extravagant claims of "the lowest prices in town" or phrases of a similar nature. Competition in the area of prices has never been keener with large chains like A&P losing vast sums of money just to entice the shopper back into the store with genuinely low prices. As food prices soar, the retailer has been doing his level best to hold those increases within some family acceptable range to avoid the ire of the irate housewife.

For the FTC to undertake a price survey to expose fraudulent pricing practices is the sheerest of folly. What chain store today can withstand the negative publicity of information suggesting that inner city stores are charging higher prices than stores located in more affluent neighborhoods? Stores located in the inner city of St. Louis have been closing steadily for several years. It is even difficult to make such a comparison as a result of all the closings.

When Bettendorf-Rapp, a chain of Allied Supermarket, sold out to Schnucks, a local chain consisting of ten outlets, Schnucks chose not to open seven of the Bettendorf-Rapp outlets. Three of these were located in hard-pressed north St. Louis. Since that time, a National store on DeBalliviere (one block from a closed Bettendorfs) has closed. The Krogers store which served residents of Pruitt-Igoe, a large housing project, had closed less than one year after the hearings in St. Louis. Many independent stores have

also closed during this period of time to the detriment of the neighborhood they served. University City, a suburb directly to the west of north St. Louis, has experienced similar closings.

Now then the FTC proposes to conduct surveys to expose unfair pricing and advertising policies of chain stores with the stated goal of protecting the consumer. The consumer needs other help—he needs stores where he can shop, he needs the government to control inflationary food prices, he needs meaningful price controls, not platitudes, from a government that prefers to export vast quantities of food commodities to meet balance of trade deficits while blaming the American consumer for consuming too much food and driving prices higher.

If the FTC were surveying prices with the intent of reducing them, their goal would be a worthy one supported by all consumers. But if the FTC is going to survey prices to expose unfair claims and take a look at retail competition, this is another waste of the taxpayers' money.

With this lengthy introduction, I would like to direct my remarks now to the mechanics of the survey proposed. There are some basic flaws in approach, which if followed, would render the results of the survey almost worthless. The most glaring of these is to be found on page 5, Section B of the proposed Protocol. It states:

"Immediately after the data is collected a copy of the store's prices will be given to the manager of that particular store or his delegate to be reviewed at that time for surveyor error. The store's representatives must notify the Commission of any inaccurate prices before the surveyor leaves the store."

It would appear that the FTC surveyor will meet with the store manager, show him the survey results and have any "errors" corrected before the surveyor leaves. May I refer you to Representative Benjamin Rosenthal's hearings conducted in St. Louis in November 1967. At that time, Mr. White of Kroger's explained away 48 or 65 surveyed items which were higher in an inner city Kroger store than in other Kroger stores as the result of "human error in marking the prices." If an FTC surveyor had been surveying that store, we could assume that 48 corrections could have been made before the surveyor left the store.

The stated purpose of the FTC survey is to expose such differences. Yet, the machinery provides for correcting these differences before they are exposed. It is even possible that such differences will be corrected just on the possibility that the FTC is proposing to look for them. Stores are very sensitive to the possibility of negative publicity, and they work diligently to avoid it.

Several years ago our organization realized that the biggest problem facing consumers who live in depressed urban areas was in finding a place to shop. Unfortunately, I see nothing in this proposed Protocol which will help to resolve this problem. When the FTC undertook its study to determine the availability of advertised specials, it provided a service of great value to consumers. We cooperated in full with that study by undertaking a volunteer survey and submitting these results to the FTC. The subsequent ruling requiring stores to provide advertised specials in sufficient quantities or to offer substitutes or face punitive fines was an excellent ruling. The effect of that ruling has been extremely beneficial to consumers.

If the FTC has funds to conduct surveys or collect data, I suggest that it undertake a study to see what is needed in the way of federal assistance to encourage retail markets to make a commitment to economically depressed urban areas. Apparently the risks and the problems outweigh the profits, for chains are continuing to close these outlets whenever possible.

It would also be valuable to the consumer if the FTC took a close look at marketing practices engaged in by manufacturers and retail store owners. What kind of price incentives are offered to keep a name brand on the same shelf with a private label brand when the private label brand is exactly the same item in a different package? Why should consumers be tricked into thinking that Wonder Bread is worth more than the same exact item packaged and sold under a private label? Why can't the FTC expose the efforts of retail chain stores to kill the returnable beverage container by dictating to the bottler the kind of package he will permit on his shelves?

This is the kind of restraint of trade which should be thoroughly investigated by the FTC and which would be of great benefit to consumers. The consumer today is the unwitting victim of these "hidden" deals and pays dearly the cost of being brand-washed.

In conclusion, may I urge that the Commission send a representative to St. Louis to personally examine the problems existing in retail food marketing. I also urge our own Congressional representatives to join us in such an in-depth study of the problems which I have raised and can be documented by the living evidence of abandoned buildings.

Sincerely,
ALBERTA SLAVIN (Mrs. Raymond),
President, Housewives Elect Lower Prices.

OFFICE OF ECONOMIC
OPPORTUNITY

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. LANDGREBE. Mr. Speaker, Judge John J. Niblack, of the Marion Circuit Court, 19th Judicial Circuit, has been a judge in Indianapolis since 1941.

I am inserting Judge Niblack's report on the Office of Economic Opportunity in the RECORD:

EVALUATION OF THE INDIANAPOLIS, IND., LEGAL SERVICES ORGANIZATION OF THE OFFICE OF ECONOMIC OPPORTUNITY OF THE UNITED STATES OF AMERICA

(By John L. Niblack)

I was asked by the Office of Economic Opportunity to evaluate the Indianapolis Legal Services Organization. I have been a judge in this city since November 1941, and have two more years to go.

I believe the Legal Services Organization was founded with the best intentions to aid poverty stricken persons who could not afford to hire an attorney on their own. However, the organization has been running wild on activities other than contemplated in the beginning. Please bear in mind that all the attorneys hired by the LSO are also members of the Bar of the State of Indiana and officers of the Courts, including this Circuit Court.

I find that there is a prevalent attitude amongst the cadre of the LSO attorneys of antagonism toward the older established forms and branches of Government, especially the State Courts. However, I must include other branches of Government such as local schools wherein the local LSO has taken Technical High School authorities to Federal Court because they banned a filthy, underground publication by some students at that school, called "The Corn Cob Curtain." I was informed this was done without the consent of the parents of the students, and without appointment of next of friend,

Guardian ad litem or anything else. I do not believe it is a proper function of the LSO to represent school children who have parents who can hire their own attorneys and pay their own attorney fees. I am sure the tax payers of the country can find much better use for their money than in the "Corn Cob" case. Incredible as it may seem, the Honorable William Steckler, Chief Justice of our local Federal Court, allowed these children to act on their own as plaintiffs, and, worse yet, on behalf of 300,000 other school children as and for a class action.

I cite herewith some cases wherein the LSO has busied itself with attempts to thwart the State Courts from exercising their constitutional function or have made Judges defendants in frivolous law suits through appeals to the Federal Courts for injunctions in cases pending in the State Courts, to-wit:

No. 1. A prisoner being held in the Marion County jail applied to this Court verbally through the Sheriff's Department that he wanted to file a writ of habeas corpus under the Indiana statutes to fight extradition to another State. I contacted the Honorable George Sawyer, head of the local LSO, and told him I was appointing him as attorney for this prisoner as I regarded it a proper function for the LSO as the man had no attorney and no funds. Mr. Sawyer informed the Court that it was not his business, but the Court made an order directing him to file the writ of habeas corpus, which is in the nature of a civil action rather than criminal, or be held in contempt of Court. Mr. Sawyer complied with the order.

No. 2. There was an aged Negro who lived on the east side of Indianapolis who owned his own home. He was in trouble with the City Sanitation Department about hooking on to a private sewer which had been constructed along his street. At the same time the Health and Hospital Corporation cited him into this Court for not having a sewer. He showed the Court that he had paid a private contractor \$400.00 to install the sewer but the contractor had defaulted on the job. I decided I was not competent to defend him in such a complicated matter involving his liberty and property so I appointed the LSO to represent him as he had no funds except his Social Security and was aged and infirm. The LSO refused to enter an appearance until I ordered them to do so, whereupon, one attorney for the organization entered an appearance. However, he failed to put up any defense or file any pleadings and finally the Court fined him \$25.00 in cost for contempt of Court, and excused him from the case.

No. 3. In the case of Poole vs. Steele before Honorable Rufus Kuykendall, on December 16, 1970, Andrew Jacobs, Sr., a prominent attorney of this town, filed a possession suit on behalf of Robert E. Poole and Barbara J. Poole, his wife, against one Mary Steele, a tenant of the Poole's, alleging default on contract of \$100.00 a month payments for purchase of the real estate. The place had a mortgage on it in the amount of \$88.00 a month which had to be paid by the landlord Poole. The latter was a working man and had invested his savings in the rental house which was air-conditioned and in good shape.

Under the Indiana law, plaintiff filed an affidavit for immediate possession and bond was fixed in the amount of \$2,000.00. The defendant was notified she had five days to post said bond which she failed to do. Thereafter the Poole's filed a \$2,000.00 bond entitling them to immediate possession pending trial. On January 7, 1971, at 3:44 P.M., Mrs. Steele through the Legal Services Organization by Ronald Eiberger and John T. Manning, filed a petition with Judge William Steckler, of the U.S. District Court here asking for an injunction against the Honorable Kuykendall and Lee Eads, Sheriff, and the Pooles from enforcing the writ. The LSO alleged an emergency although it was 22 days after suit was

filed. Sixteen minutes later, at 4:00 P.M. on said date, the Chief Judge of the Court, the Honorable Steckler issued a restraining order without notice or any attempt to notify the plaintiffs Poole, and the Sheriff desisted from his effort to serve the writ.

On January 11, the defendant Steele moved out taking with her an expensive bar from the recreation room in the basement of the property of the landlord and other property including wall to ceiling paneling, 3 accordion doors, two hanging lamps, curtain and drapery rods from the windows and locks from the inside doors, as well as carpet in the living room and quarter-round securing same. She also broke or removed plates on electric light outlets on the walls, tore down towel racks and tile soap dishes from the bathroom walls and committed other acts of waste too numerous to mention, all as set out in an affidavit furnished the Federal Court by attorney Jacobs.

On January 19, 1971, the Poole's filed their motion to dismiss the case in Federal Court which was taken under advisement by Judge Hugh Dillin until June 24, 1971, whereupon it was dismissed. The LSO attorneys appealed the dismissal to the 7th Circuit Court of Appeals in Chicago causing the Pooles to have further litigation. The appeal was denied. The LSO theory was that this lady defendant was being denied due process of law because she was not notified about the bond being posted. This has been the law for 150 years. The LSO could and should have entered an appearance in the case in Judge Kuykendall's Court and if not satisfied with the outcome, could have taken an appeal to the Indiana Supreme Court on any constitutional question and not bothered the already over-burdened Federal District Court and the Federal Circuit Court of Appeals. Our U.S. District judges constantly are crying that they are over-loaded. In many, many cases our Federal judges could and should tell applicants to file their suits in the Indiana courts, all of which have just as competent and fair judges as the Federal Bench.

No. 4. The case of J & L Realty Company versus Ray Passwater. This was a case in the Municipal Court One before the Honorable Joseph N. Myers. Allen Goldstein, the attorney for the company, filed a suit for possession on September 8, 1970, of a house rented to defendant Passwater, who was delinquent in his \$85.00 a month payment on contract of sale since January of 1970—being about ten months. On October 3, 1970, the LSO through its attorney Peter Wormser, instead of contesting the case in Judge Myers' Court, went straight to the United States Circuit Court of Appeals at Chicago and got a restraining order versus the plaintiff and Judge Myers from taking any action in the case and the Court sent the case down to Indianapolis for Judge Dillin to try. On October 12, 1970, the J & L Realty Company filed their motion in the United States District Court to vacate the suit and vacate the restraining order. Judge Dillin heard oral argument and said from the bench he would vacate the said order which he did five and a half months later on March 25, 1971. Whereupon the LSO filed notice of appeal to the the 7th Circuit Court of Appeals. Nothing came of the appeal and in April of 1971, the LSO attorney filed an Answer in the Municipal Court Room One, which he should have done in the beginning and cut out the expense to tax payers in fooling around with appeals and expensive briefs in the Federal Court. After trial on the merits in May of 1971 in Municipal Court Room One, judgment for plaintiff was agreed to by the attorneys in the case on a stipulation of facts and in July of 1971 a writ of assistance by the Municipal Court Room One was issued and Mr. Passwater was finally evicted and the landlord given possession. The defendant Passwater had been in possession for 20 months with no payment while the landlord

had to pay the taxes on it at \$11.00 a hundred tax rate and keep up the insurance.

No. 5. Mrs. Artie Lindsey vs. Charlie R. Bryant and Virginia Bryant, his wife, is a suit for possession on delinquent payments on a contract of sale. Defendants were living in the house of Mrs. Artie Lindsey and agreed to pay \$70.00 a month. They were delinquent three months and in addition they were delinquent in taxes and the insurance in the amount of approximately \$1,000 which Mrs. Lindsey had to borrow to pay off. Mrs. Lindsey was a widow, age 72 years old, and had no other income beside Social Security, while the defendant was employed as a maintenance man at a tool and die company at \$100.00 a week. The LSO through its attorney, one Ronald Elberger, applied directly to the United States Court of Appeals for the 7th Circuit at Chicago, Illinois, a motion for an emergency temporary restraining order against the Court and plaintiff, Mrs. Lindsey. This was an extraordinary proceeding, if there ever was one.

The Circuit Court of Appeals denied the petition with a stinging rebuke to the Legal Organization, stating among other things, as follows: "As far as we can ascertain from the papers before us, no effort was made to secure injunctive relief from any of the numerous Marion County Courts until the day the motion was tendered for filing in this Court, to-wit: August 12, 1971, nearly a month after the issuance of the writ of possession. This court should not be abused by labeling "emergency" that which is only so by virtue of lack of interim and reasonable diligence. The Bryants have failed to demonstrate any standing for proceedings in this Court. They admittedly have filed no complaint nor attempted to file a complaint in the appropriate court or in the District Court of Indiana."

As may be inferred, this was a profligate waste of taxpayers money in paying the expenses of said Elberger for a plane trip to Chicago and back and otherwise infringing on his time which he could have devoted to much better use on behalf of the poor. Possession was granted to the widow plaintiff in August after the defendant Bryant moved out. In my opinion the old woman should have been the one to receive the services of LSO instead of having to pay her own attorney.

This case is still pending with the Honorable Addison Dowling as Special Judge on complaint and cross-complaint by the LSO attorneys on behalf of Mr. Bryant. The cross complaint challenges the constitutionality of the Indiana statute about writs of possession, etc. Mr. John T. Manning is attorney for the defendants on behalf of Legal Services Organization and has filed a multitude of briefs and pleadings, including one brief of 89 pages, which must have cost the tax payer quite a bit of money. All of this could have been done by contesting the case in Superior Court in the beginning instead of running to the Federal Court in Chicago. Judge Dowling has the matter under advisement and I suppose if he finds against the defendants, there will be a large and expensive appeal on behalf of the Legal Services Organization to the Indiana Supreme Court in the matter, although their client, Mr. Bryant, has a new job which provides him ample salary and free housing at the Evangelistic Center on the south side of the city.

No. 6. The LSO attorneys Elberger and Manning took an appeal consolidating all the above cases to the 7th Court of Appeals which came to nothing but entailed large expenses to the tax payers.

No. 7. This week there appeared in a local newspaper "The Golden Sentinel", a publication or news letter of the Senior Citizens organization of Indianapolis, a combination of several federally funded groups. This ad, a large one, solicits Senior Citizens to draw

up a will and to have the LSO do the same. The LSO in the ad promises to furnish transportation for people to come down and have their wills drawn free of charge. It appears to me that if people have enough funds to make a will and bequeath their belongings to someone, they should have enough funds to pay \$10.00 or \$25.00 to some attorney who has to pay office rent and taxes, as well as support himself and his family instead of having the Legal Services Organization butting in and taking away his legitimate business. I would like to know from the Board of Directors of our Legal Services Organization and its parent body, the Office of Economic Opportunity, under just what theory they are proceeding in this matter of drawing up wills. It is against the Indiana Code of Ethics for private attorneys to advertise for business.

The above are specific examples of meddling and tampering with justice on behalf of the Legal Services Organization of this city which have come to my direct attention. No doubt, there are many others which I am not aware of. Recently I made an order in a case wherein the LSO attorney represented an indigent lady who wanted a divorce. I decreed that she could have a divorce, however, I added an order that neither she nor the husband could have a marriage license granted in this County without first paying the costs in the divorce case. It seemed to me it was only fair that the tax payer should be reimbursed for the divorce if she or the husband either one wanted to get married again and start the same old procedure over once more. Mr. Norman Metzger, head of LSO at the time, took violent exceptions to such a ruling, stating I was denying the lady's constitutional rights and her divorced husband's too, for that matter. Although in my opinion, the question was moot until either applied for a license. He filed a motion to correct errors and harrassed the Court with numerous interviews about such asininity on my part and started an appeal at the taxpayers expense.

I will say that Miss Judy Hamaker, one of the attorneys for LSO who handles most of their divorce cases, has been very respectful to the Courts and has done her best to cooperate with the Court in all things. I believe that if the LSO would get rid of some of the more belligerent, young, left-wing attorneys who are scornful of established institutions that we would all be better off and the tax payer would save a lot of money.

I might add, in Joint Session of all the Courts of Marion County, we adopted a resolution asking that the Marion County-City Council make an independent evaluation of the LSO in this city on behalf of the tax payers which we believe will be a valuable addition to any evaluation made by the organization of itself. Our council has to provide tax money for activities of the LSO.

I assume the LSO was established by Congress to assist the Courts in the administration of justice. The Indianapolis branch solicits law business, represents too many persons who are able to fee their own attorneys, stirs up litigation between class and class, and is adding immensely and needlessly to the burden of the already overburdened tax payers who pays his own legal fees. Although in theory the LSO is under a board of directors, the young law school graduates manning the trenches are a law unto themselves.

I believe the best solution for the LSO problem would be to dissolve it locally and turn the problem of legal aid to paupers or poor people over to the Legal Aid Society of the local Bar Association and let the Federal Government pay the funds into the Legal Aid Society. Maybe a new Board of Control for the Legal Aid Society could be devised with the Bar Association having the major voice, but with the OEO having a representative on the Board and the local judiciary likewise having a representative.

STATEMENT OF REPRESENTATIVE
BOB WILSON

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. BOB WILSON. Mr. Speaker, I am happy to cosponsor legislation which is being introduced today with the gentleman from Georgia (Mr. BLACKBURN) and 26 cosponsors. This bill will allow use of industrialized construction techniques in federally assisted housing programs.

Due to rising construction costs, the family with an income of \$10,000 or less has been effectively forced out of the new housing market. Federal subsidy programs have helped. However, we in the Congress are becoming concerned about the steep increases in fund demands—which now are estimated to be heading for the level of \$7 billion a year by 1978. This is five times the current payout. The demand for low-income housing is huge. The Department of Housing and Urban Development has a backlog of 500,000 families who are seeking to get into public housing projects. If we are to meet the housing needs of our Nation today and in future years, we must change our ways of producing housing—right now.

A ready means to cut construction costs is by applying the new and exciting technology brought to us by the space age.

Unfortunately, antiquated building codes and restrictive union work rules are barriers to the use of this new technology in modernizing the housing industry. In an effort to correct this problem I introduced H.R. 18028 in the 91st Congress and H.R. 3679 in the 92d Congress, the latter cosponsored by 30 of my colleagues in the House. The legislation I cosponsor today is an improved version of these two bills. It will preclude local codes, laws, ordinances, or locally made labor agreements from restricting the use of new construction products and technology. I want to commend the gentleman from Georgia (Mr. BLACKBURN) for introducing this bill today. His efforts as a member of the Subcommittee on Housing to eliminate impediments to lower cost housing are well known. I was pleased to be of assistance to him in the preparation of this bill.

The bill's important provisions are:

First. Through a civil court action in a Federal or State court, any person, including a builder, a contractor, or a manufacturer may prevent the enforcement of any local code, law, ordinance, or work rule that restricts his use of new techniques or materials in a federally assisted housing program. In my prior bills, enforcement was left to overburdened Federal officials. In this bill, no action by a governmental agency is required or allowed. The remedy is placed in the hands of the parties who have the greatest direct interest—the manufacturers, contractors, and users.

Second. The remedy does not apply if the restrictive code or work practice is required to protect the health or safety of working or living conditions. However, the person invoking this exception must

show by a preponderance of the evidence: first, that the restraint is necessary to assure safe and healthful working conditions and, second, that the prefabricated product fails to provide this assurance. By placing the burden of proof on the person invoking the health and safety exception, we have modified my former bills. As a result, this new bill omits any concept of making HUD or any agency designated by HUD the arbiter of the safety and healthfulness of new products and techniques. Under the new bill HUD simply is not involved in standard setting or in enforcement. Thus, there is no way in which the bill could lead to the adoption of national building standards.

Third. The court may order equitable or preventive relief and damages, although damages may not be assessed against a local governmental body.

Fourth. The safety and health issue and all other questions under the bill will be decided by a State or Federal court in the locality.

I hope the Subcommittee on Housing will give this bill early consideration. Unless we can employ the newest and best technology in housing construction, we most certainly will fail as a Nation to achieve our national housing goals. And what is more important, we will fail the thousands who so desperately need low cost housing.

The text of the bill follows:

H.R. 6400

A bill to promote the utilization of improved technology in federally assisted housing projects and to increase productivity in order to meet our national housing goals, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) any provision or requirement in any building code or other local law or ordinance, or in any contract or agreement, or any practice or other restraint which interferes with or restricts the use of new or improved techniques, methods, or materials or the use of preassembled products in connection with any development, construction, rehabilitation, or maintenance activity assisted under any program administered by the Secretary of Housing and Urban Development shall be unlawful with respect to such activity: *Provided*, That nothing contained in this paragraph (a) shall be construed to make unlawful any such provision, requirement, practice or restraint if it is shown by a preponderance of the evidence (1) that such provision, requirement, practice or restraint is necessary to assure safe and healthful working or living conditions and (2) that such technique, method, material or product falls to assure such safe and healthful working or living conditions.

(b) Any person who is aggrieved because of any provision or requirement in any building code or other local law or ordinance, or because of any contract, agreement, practice, or other restraint unlawful under subsection (a) of this Act may bring a civil action in any appropriate United States district court notwithstanding any other provision of law and without regard to the amount in controversy, or in any appropriate State or local court of general jurisdiction to obtain equitable or preventive relief for violations of this section, or appropriate damages, and may request such relief, or enter a claim for such damages, in any court whenever relevant in connection with

a defense to, or counterclaim in, any suit or action brought against such person in that court, except that damages shall not be awarded where the person bringing the action under this section is aggrieved by reason of any provision of requirement in any building code or other local law or ordinance.

MASSACHUSETTS SENATORS
SPEAK OUT

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. HARRINGTON. Mr. Speaker, the Massachusetts Senate passed a resolution March 8 memorializing the President and the Congress to consider the plight of Soviet Jews before granting most-favored-nation status to the Soviet Union.

The Soviet Union has recently taken steps to ease the repressive restrictions on the emigration of Jews, but such actions cannot yet be interpreted as a major policy reversal. It is possible that the Soviet Government has responded to the pleas of most Americans and to the probability of congressional action to prevent granting most-favored-nation status until Soviet policy on emigration is changed.

This is possible, but until we are sure that the Soviet Union is, in fact, changing its policies, we should not fall silent. We should continue to speak out and make our position clear because silence can do nothing to impress the Soviets with the seriousness of our convictions.

For this reason, I would like at this time to insert in the RECORD a copy of the resolution of the Massachusetts Senate.

RESOLUTIONS MEMORIALIZING THE PRESIDENT AND THE CONGRESS OF THE UNITED STATES TO CONSIDER THE PLIGHT OF SOVIET JEWS PRIOR TO GRANTING FAVORED-NATION STATUS TO THE SOVIET UNION

Whereas, In the Soviet Union men and women are denied freedoms recognized as basic by all civilized countries of the world and indeed by the Soviet Constitution; and

Whereas, Jews and other religious minorities in the Soviet Union are being denied the means to exercise their religion and sustain their identity; and

Whereas, The government of the Soviet Union is persecuting Jewish citizens by denying them the same rights and privileges accorded other recognized religions in the Soviet Union and by discrimination against Jews in cultural activities and access to higher education; and

Whereas, The right freely to emigrate, which is denied Soviet Jews who seek to maintain their identity by moving elsewhere, is a right affirmed by the United Nations Declaration of Human Rights, adopted unanimously by the General Assembly of the United Nations; and

Whereas, These infringements of human rights are an obstacle to the development of better understanding and better relations between the people of the United States and the people of the Soviet Union; now, therefore, be it

Resolved, That the Massachusetts Senate memorializes the President and the Congress of the United States to consider the plight of Soviet Jews when granting most favored nation status to the Soviet Union and to call

upon the Soviet government to end its persecution of the Jews and other minorities and to permit the free exercise of religion by all its citizens in accordance with the Soviet Constitution, to permit its citizens to emigrate from the Soviet Union to the countries of their choice as affirmed by the United Nations Declaration of Human Rights and to use all appropriate diplomatic means to engender the fullest support possible among other nations for such a request to the Soviet Union; and be it further

Resolved, That copies of these resolutions be transmitted by the Senate Clerk and Parliamentarian to the President, the Secretary of State of the United States, the presiding officer of each branch of the Congress of the United States and to each member thereof from the Commonwealth.

Senate, adopted, March 8, 1973.

MINORITY PEOPLES PROBLEM
POSES UNITY QUESTION FOR
U.S.S.R., SAYS MONITOR

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. DERWINSKI. Mr. Speaker, among the peoples who have been subject to unusual historic persecution are the Armenians. From the days when they were subject to an attempt by the Turks to eliminate the Armenian nation to the present day when Armenia remains one of the Captive Nations under Communist rule, the Armenian people in the free world have tenaciously maintained the pride, traditions, and culture of their homeland and have never lost confidence in the ultimate restoration of freedom for the Armenian people. The Thursday, March 22, Armenian Weekly, published in Boston, Mass., contained an article which expanded on an earlier story in the Christian Science Monitor.

I submit this item for the attention of the Members who are not consistently mindful of the nationality questions within the U.S.S.R.:

MINORITY PEOPLES PROBLEM POSES UNITY QUESTIONS FOR U.S.S.R., SAYS "MONITOR"

BOSTON, MASS.—Mr. Paul Wohl, writing in the Feb. 7, 1973 issue of The Christian Science Monitor, said in an article entitled "Minority Peoples Nag Russians—Population Growths and Nationalism Pose Unity Question for Soviet Leaders", that "The Kremlin is busy debating how quickly it can absorb the many non-Russian peoples of the Soviet Union into a single people of predominantly Russian language and tradition."

He said:

"The Soviet leaders have ground for concern. The Soviet Union is still basically the empire built by the Czars, in which Russians by and large have ultimate authority over a vast number of non-Russian peoples. Most—but not all of the latter—live in Asia. And among most of them, the birthrate is higher than that among Russians.

"At the last census in 1970, the Russians of the Soviet Union made up only just over one half of the country's entire population. If present trends continue, they are likely soon to be outnumbered."

(Some other authorities on Soviet demography hold that the "nationalities" content of the USSR already outnumbers the "Velko (Great) Russians" of the federated state.

They cite the present nationality break-down as about 100 million Russians as against about 120 non-Russians.—Ed.)

Mr. Wohl continued:

"For example Russians increased in number by a little less than 16 per cent between 1959 and 1970, while the Uzbeks increased by 53 per cent, Kazakhs by 46 per cent, and Azerbaijani and Kirgizians by 49 per cent. And beyond these statistics, the Soviet Communist Party is alarmed over nationalist stirrings in the 14 non-Russian republics and in several of the autonomous republics of Russia proper.

"In the most restive republics Moscow has reacted with party and government purges, arrests, and even capital punishment with the propaganda machine in favor of a united Soviet Union running full blast.

"In his report last December commemorating the first 50 years of the U.S.S.R. as a state General Secretary Leonid I. Brezhnev spoke of the 'further drawing together of the nations and peoples' of the Soviet Union. Their drawing together, according to Mr. Brezhnev, represents an objective meaning, an inexorable, a preordained process. In his report he adopted a position halfway between those who seek to accelerate the ultimate melting of the many nationalities into a single Soviet nation and the advocates of gradualism.

"Mr. Brezhnev referred to the common Soviet motherland (rodina), to the common fatherland (otchizna), but avoided speaking of a Soviet nation. Instead he used the term 'the Soviet people.'

"The terms 'rodina' and 'otchizna' have a Russian nationalist ring. They were currently used in the press of Czarist days and went hand in hand with Russification. Lenin never used these terms. Stalin unearthed them.

"The general trend of Mr. Brezhnev's address was against the gradualists: 'Any attempt to restrain the . . . drawing together of the nations, to create hindrances to it under one pretext or another, or artificially

to consolidate national isolation . . . (are) inadmissible."

"In the Jan. 1 issue of *Kommunist*, the Communist Party's theoretical magazine, Russian Premier and candidate member of the Politburo, Mikhail S. Solomentsev, went even further. Mr. Solomentsev hailed the 'monolithic unity of the Soviet people' who are 'children of the same fatherland.'

"There is evidence that the Soviet leaders are divided about the right approach to the nationality problem.

"*Pravda* in several articles published in December rejected the thesis of 'speeding up' the drawing together of the Soviet nations. But with the recent hardening of the Kremlin's domestic policy against dissidents of all kinds, the majority of the Politburo now seems to have shifted in favor of a faster and more energetic course.

"A political analyst of Radio Liberty has tabulated the respective use by the 15 republican speakers of the terms 'Soviet people' and 'Soviet peoples' in an interesting treatment of the nationality problem at the December celebration. The tabulation showed that those who spoke most frequently to 'the Soviet peoples,' thus indirectly stressing the national individuality of their respective republics, also were those who participated the least in what is now occasionally called 'the cult of Mr. Brezhnev's personality.'

"Among the deviationists from Mr. Brezhnev's line were the first secretaries of Armenia, Turkmenistan, Kirghizia, Latvia, Uzbekistan, Azerbaijan, and Lithuania, all republics that in one form or another have been 'delinquent' in the 'correct' solution of the nationality problem. The first secretaries of Azerbaijan and Lithuania avoided referring even once to 'the Soviet people' in contrast to Russian Premier Solomentsev who used this term 11 times.

"In the context of Mr. Solomentsev's recent article in *Kommunist* it now looks as if the majority of the leadership had come around to favoring monolithism as the basic principle of Soviet nationality policy, which would mean victory for Mr. Brezhnev over the gradualists."

LEGISLATION TO EXTEND THE AGRICULTURAL ACT OF 1970 FOR AN ADDITIONAL 5 YEARS

HON. EDWARD YOUNG

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1973

Mr. YOUNG of South Carolina. Mr. Speaker, I am in favor of extending the Agricultural Act of 1970 for an additional 5 years. I favor this extension because in my lifetime this present farm program has proven to be the most effective agricultural program this country has ever known.

It has not been our most costly farm program, but it has provided the most practical solution to our farm problems.

Gentlemen, the American farmer is the most efficient farmer in the world today. In this country 5 percent of the people remain on the farm and they meet the responsibility of feeding this Nation. In many countries it requires 50 percent of the population to produce the food they need.

It is essential that we continue a program that has proven so effective.

The American farmer today, with the help of this present farm program, realizes only about a 5 to 6 percent return on his investment. If this return is reduced, we can reasonably expect even more out-migration from the farms. This our Nation cannot afford to have happen.

Thus, I present to you our proposal to extend for 5 more years the expiring provisions of the Agricultural Act of 1970.

It is a program that is effective and that is working. We need to continue it.

SENATE—Monday, April 2, 1973

The Senate met at 12 o'clock meridian and was called to order by Hon. ROBERT C. BYRD, a Senator from the State of West Virginia.

PRAYER

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

Lord of all our years and of each new day, we lay before Thee the needs of our Nation, the needs which are obvious and the needs yet obscure, beseeching Thee to give us the strength, wisdom, and courage for their solution. Renew the dedication of all the people to spiritual values and submission to the transcendent moral law Thou hast revealed. As we pray for the Nation, so we pray for ourselves in this place, that to our own human efforts and finite wisdom Thou wouldst add Thy divine blessing and infinite wisdom.

We pray in Thy holy name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

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

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., April 2, 1973.

To the Senate:

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

JAMES O. EASTLAND,
President pro tempore.

Mr. ROBERT C. BYRD thereupon took the chair as Acting President pro tempore.

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of March 29, 1973, the Secretary of the Senate, on March 30, 1973, received the following messages from the President of the United States:

REPORT UNDER FEDERAL COAL MINE HEALTH AND SAFETY ACT OF 1969—MESSAGE FROM THE PRESIDENT

The Secretary of the Senate, on March 30, 1973, received a message from the President of the United States, which, with the accompanying report was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

In accordance with section 511(a) of the Federal Coal Mine Health and Safety Act of 1969, Public Law 91-173, the Secretary of the Interior annually prepares a report to the Congress and to the Office of Science and Technology on progress made in administering the law.

It is my pleasure to transmit to you the report for Calendar Year 1971 and to commend it to the attention of the Congress.

RICHARD NIXON.
THE WHITE HOUSE, March 30, 1973.

EXECUTIVE MESSAGE REFERRED

The Secretary of the Senate, on March 30, 1973, received a message from the